

Gas

Iowa-Nebraska Gas Properties in State Sold

Sale of the Iowa-Nebraska Gas and Electric company's gas distribution system in Nebraska to the Central Gas and Electric company of Sioux Falls, S. D., was announced yesterday by representatives of the two companies.

R. A. Phillips, vice president of the Sioux Falls utility, said the purchase price was \$4,325,000. Thirty-nine Nebraska towns and cities, including Beatrice, will be affected by the sale which will make them a part of the Central Gas and Electric company's system which now serves 32 communities in Nebraska and South Dakota.

The Iowa-Nebraska has served the Beatrice area approximately 25 years. It is presently managed by F. W. Kitch. Last spring Beatrice granted the company a new 25-year franchise.

When the transaction is completed the Iowa-Nebraska will have disposed of its last Nebraska holdings. A few years ago it sold its electrical generating and distributing system to the Consumers Public Power District. The Iowa-Nebraska is a subsidiary of United Light and Power.

It was presumed at City Hall that commitments made by Iowa-Nebraska as to rate reductions and service improvements would be assumed by the new company, as a part of the sales agreement.

Beatrice
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SUPERFUND RECORDS

Sept 22, 1944
B. Jones

GAS CO. FILES ARTICLES

Capital Stock of New Concern Placed
at \$150,000—Local Capitalists
Interested in the Company.

The Beatrice Gas and Power company Saturday filed articles of incorporation in the county clerk's office. The capital stock of the company is placed at \$150,000, and the incorporators are Cyrus S. Eaton, Thomas Rice, jr., M. E. Springer and R. R. Kyd.

The company recently secured a franchise to operate a plant in Beatrice, and work is now being pushed on the building south of Black's mill with a view of furnishing gas to local consumers as soon as possible. The Sun has, on a number of occasions, intimated that local capitalists were interested in the company although this statement has been contradicted by the promoters of the project.

From the list of incorporators it would seem that R. R. Kyd is the only Beatrice man interested in the company but it is understood that M. V. Nichols, Samuel Rinaker and others are among the stockholders.

The officers of the company are said to be as follows: Mr. Lang of Cleveland, president; R. R. Kyd, Beatrice, vice president; Cyrus S. Eaton, Cleveland, secretary-treasurer.

The object of the concern is to furnish better gas at a cheaper rate than the City Gas company, and if it can deliver the goods it will be given the patronage such an institution deserves.

Nov 22, 1906

Spice City Democrat

NEW GAS CO. GETS BUSY

Beatrice Gas & Power Company Has
Shown Unmistakable Signs of Life
—Much Work Already Done.

The activity of the Beatrice Gas and Power company has taken the town by storm.

Fifty men are at work at the plant south of Black's mill, and on the streets. Ditchers, diggers, concrete men, bricklayers, and pipe layers—all are busy getting things in shape for the new company to furnish gas to the citizens.

At the plant a cistern sixty-five feet in diameter and twenty feet deep has been dug and Rutherford & Lee have a force of men walling it with concrete. The house for the machinery is also being built.

The cistern will be used as a holder for gas. The gas will be turned into the holder through a ten inch pipe, and will be conducted from the holder to the mains by another ten inch pipe. The mains will lead up Court street, branching out at Fourth and Sixth and at other streets where business demands it.

The ditch has already been dug on Court street from Third to Sixth and on Fourth as far north as Elk. Pipe has been laid in several hundred feet of the ditches. The vigor with which the work has been prosecuted by the new company has been a pleasant surprise to all citizens of Beatrice.

Whether the coal gas they propose to sell will be any cheaper to the consumer than the gas made by the old company, is a mooted question. At any rate, we are glad the Eaton people are investing money in the city and giving employment to many men.

Nov 29, 1906

WORK IS PROGRESSING.

Big Basin at New Gas Plant About Completed.

The work of cementing the floor of the big cistern to be used as a gas holder for the Beatrice Gas and Power company, will be completed this afternoon. Mr. Rice, the superintendent of construction, in showing an Express reporter around the new plant this morning, spoke very highly of the way in which the local firm of Rutherford & Lee are carrying out their contract.

As soon as the main building is completed, work on the laboratory is to be commenced and pushed to a rapid completion. The laboratory and office will be a frame building, one story, 34x33.

The laboratory is to be one of the finest in point of equipment in the state, and will be in charge of Percy Taber, a graduate of the Royal academy of Chemistry of London, England. It is the intention of the company to make the Beatrice laboratory the headquarters for all of its business in the line of chemical analysis.

E. B. Brown, in charge of the work of installing service pipes in the residence part of town, has a force of fourteen men under him and so far has something like one hundred and twenty-five service pipes. Mr. Brown is a young man who has had considerable experience in this work and is considered an expert in his line.

A gentleman who recently examined the plans of the buildings and who is thoroughly conversant with the gas business, states that the plant of the Beatrice Gas and Power company will, when completed, be one of the finest in the United States.

Dec 22, 1906
Daily Express

WILL BE MUCH FOR BEATRICE

New Gas Plant Will Make Be-
atrice Famous Around
the World.

FIRST PLANT OF ITS KIND

J. Russel Coult's of the International
Heating and Lighting Company,
Interviewed by The
Express.

Mr. J. Russell Coult's of the International Heating and Lighting company, arrived in Beatrice yesterday from an extended trip through western Canada. The syndicate of which Mr. Coult's is a member and which has just completed a large gas works in this city, is building plants this summer in the important centres of western Canada as well as in a number of western American cities. When interviewed this morning by The Express, Mr. Coult's was full of enthusiasm over the wonderful prosperity of new Canada and over the vast possibilities of the International's new gas process in relation to that country.

Unlimited Straw—No Coal or Wood.

"The wheat lands of western Canada," said Mr. Coult's, "are capable of furnishing bread for the whole British Empire. With this as a chief asset large cities are springing up and a new nation is being built in regions which until a few years ago were regarded as a hopeless wilderness. The only thing that nature failed to endow that country with was an adequate fuel supply. They have practically no wood and little coal of any value. That defect, however, is not going to prove as oppressive as has been feared, for on the plains, there are burned and wasted every fall, millions of tons of straw. Within five miles of most of their cities, enough straw goes up in smoke every year to furnish their citizens with fuel and light, and their industries with power. Our new gas plants in that country will use straw for raw material as we are doing in Beatrice."

Beatrice to Be Famous.

It will be remembered that Beatrice is the first city in which the International Heating and Lighting Co. have equipped on a commercial scale their process for the manufacture of gas from straw and corn cobs, which is giving such fine results.

"Beatrice should attract some attention from the fact that your new process is so thoroughly successful here," asked the reporter.

"The building of our new process plant here is considered by prominent gas men as of much significance," said Mr. Coult's. "It is attracting world-wide attention and is arousing the greatest interest in the corn and wheat belts. Scores of men have expressed a desire to visit your city and to investigate our process, and from week to week delegations from various parts of the country will be coming in. Even some of our European stockholders are planning on a visit to your city."

No one will deny that the citizens of Beatrice have reason to be proud of this new institution. Not only have we a most complete and modern gas works, but we have the distinction of being the first city in the world to have a plant which makes gas from straw, cobs, stalks and other gramineous products. Those who have seen the new gas burning must admit that a more beautiful luminous light was never seen and those who are using it for cooking and other fuel purposes lavish unstinted praise upon its intense heat. At the same time it meets all domestic needs these hot midsummer days, minus the scorching discomfort to the inmates of the home familiar to all who remember the old time cook stove and coal range.

Economy Chief Advantage.

The chief concern to the public, however, is the noticeable economy of the new process. As compared with the other cities of the arid west we are getting the cheapest high grade gas that is anywhere furnished. It is rather startling to be informed that while eastern experts declare the gas to be as rich in heat units and candle power as that served in Chicago or New York, the cost to the Beatrice consumer is less than that paid in Lincoln or Omaha. It is noticeable that Beatrice people are not slow to appreciate this fact and judging by the enthusiasm expressed on all sides the new gas is hailed as a long sought boon to every office and home in our city.

July 13, 1907
Daily Express

COMPANY WILL EXTEND MAINS

Beatrice Gas and Power Com-
pany Will Give Service
to South Side.

IS INSTALLING MACHINERY

Management Expects to Man-
ufacture Gas With New
Apparatus Next Satur-
day Evening.

Manager R. R. Kyd of the Beatrice Gas and Power company, informs the Express that gas will be made at the plant with the new apparatus by next Saturday evening. A force of ten men is employed at the plant installing the machinery under the supervision of J. A. McCollum of the Gas Machinery company of Cleveland, O., an experienced engineer.

As soon as the machinery is installed the gas company will extend its service to South Beatrice, south of the river. Manager Kyd states that the company will then be prepared to take on all consumers that apply as the new machinery will give the plant a capacity three hundred per cent greater than it is now able to supply.

The news of the proposed extension will be received with gratitude by the residents of the city who live south of the river, as they have been anxious for this service for some time.

Oct 28, 1908
Daily Express

The Gas Company.

The Beatrice Gas and Power company during the past twelve months has spent \$25,000 in improving its plant in this city. Three miles of mains have been constructed and the capacity of the plant increased from 60,000 cubic feet to 200,000 cubic feet of gas a day. It is now able to give service to all those desiring it. The output of gas has increased from 30,000 cubic feet to 70,000 cubic feet of gas per day. The nice thing about this company is that the more gas the people of Beatrice consume, the more benefit is derived by the city, as the company pays a certain per cent of its earnings into the city treasury every year. Ten men are employed regularly except when outside work is to be done, then an extra force is added. Manager R. R. Kyd is satisfied with the business of the past year and looks for an increase the coming twelve months.

Jan 1, 1909
Daily Express

Dr. Hepperlen Writes Open Letter To Gage Co. Gas, Light & Power Co.

Postcard Referendum on Rates Recently Inaugurated Gives Rise to His Views Therein Expressed

Dr. H. M. Hepperlen has addressed an open letter to the Gage County Gas, Light & Power company, which is self-explanatory and has handed a copy to The Daily Express with a request to publish. It is as follows:

Gage County Gas, Light & Power Co.
Gentlemen:

The convenient postal-card, on one side of which you urge your customers to express themselves in favor of allowing you to continue the collection of present gas rates and on the other side of which is contained a blunt threat to "close down our plant" if obliged to carry out your contract with the citizens, should have received, in justice to both of us, earlier attention.

This appears particularly true when one notes that you offer for favorable expressions a "Promise" to better your "service," and are willing to act as judges and clerks of election, canvassing board and the "whole works" to insure a fair count and an impartial verdict. In these times of uplift and reform, there is nothing quite so popular as to "let the people rule" and you seem desirous of doing so on a personally conducted plan.

To be perfectly frank I have not been able to determine from a careful study of your postal, how one having the desire to be just to your company and to himself should vote on the question. The advertisements that you are running in the city papers purport to state facts but are lacking in essential details that would enable one to intelligently determine the question—and again, previous reports and records of your company and findings from investigations into your earnings, as made by members of the city council—as well as the statements of your company over the signature of its president, show an entirely different and opposite state of facts.

It seems clear, under these circumstances, that you would desire for practical business—if not for moral reasons—to give the citizens facts that will enable them to pass intelligently on the gas rate question.

For your information as well as that of the public, I respectfully direct your attention to the following things that may be found in the re-

ords and reports referred to and in the gas consumers' mind, and they appeal to you to answer or plead guilty to the indictment; to-wit:

1. That your entire plant including merchandise stock and about \$30,000 worth of experimental materials and equipment, represented an original expenditure of approximately \$80,000.00.

2. That through the representations of your president \$100,000.00 was secured on a mortgage loan on this property.

3. That in addition to the loan referred to, \$150,000.00 of capital stock was issued on the basis of this property as security.

4. That the only consideration given for this stock issue was the right to make gas out of straw in Gage County, Nebraska.

5. That on the face of these figures, it appears that a property that cost in the neighborhood of \$30,000. is mortgaged for \$29,000.00 more than it cost and that the total assets of the company represented by \$250,000.00 in stocks and bonds, had a value when new of only \$80,000.00. A private business concern in that financial condition, it seems to me, would call a meeting of its stockholders—put in the business about \$50,000 of new capital—or turn its property over to its bond holders to enable them to recover at least some part of their investment. They would in my judgment, and that of shrewd and honest business men, prefer such course to the mercenary one of begging their customers to pay increased rates.

6. That you now are seeking to maintain a rate from 20 to 30 per cent higher than the rate, which you contracted with the city, the present rate, now in litigation made possible by the mistake of a former mayor in signing an ordinance when he thought he was signing a veto.

7. That the quality of gas supplied to consumers averages from 15 to 20 per cent lower in heat value than you contracted with the city to supply, making it cost the consumer 15 to 20 per cent more than the present rates as they appear on the face of your bills.

8. That the advertisements you are printing in local papers are misleading and untrue. The cost of manufacture and distribution of gas including cost of all labor, material, leakage, depreciation and a reasonable rate of interest on actual investment does not amount to 90c per M cubic foot and does not exceed 70c per M cubic foot.

9. That with the present daily average output of 70,000 cubic feet and the present rate, the company is earning a net annual profit of approximately \$15,330.00, a sum that equals 6 per cent interest on \$255,500.00 or almost 29 per cent on the estimate cost of constructing a new and better plant.

10. That your president in a recently published statement over his signature and upon which a Chicago broker is seeking to sell \$1,300,000 of bonds of the Consolidated Gas & Electric Light Co.—a new company which recently took over the capital stock and property of your company—stated that the new concern was earning more than three times the interest charges on its bonded indebtedness.

The above are some of the things, which if correct or even only approximately correct, prevent me from voting for your proposition. I have no doubt others have not returned your postal-card for the same or similar reasons.

You therefore should hasten to put yourself right with our citizens and to ease the public mind if it is in error, by replying in one of your quarter page ads, to each proposition seriatim.

The people demand that you do this or despatch your Attorneys to Lincoln forthwith to dismiss the case now pending in the courts.

You may regain the confidence of the people by pursuing either of these honorable courses, but not by dodging the issues that your imprudent acts have raised in the minds of the people—nor by raising new questions until you have made full and frank answer.

Very respectfully

H. M. HEPPERLEN.

Feb 6, 1912
Daily Express

Gas
Electricity

Manager Rice Answers Letter of Dr. Hepperlen

Manager Thomas Rice, of the Gage County Gas, Light & Power Company addresses The Daily Express as follows in answer to Dr. Hepperlen's communication of Thursday. It explains itself:

By The Daily Express I notice an open letter addressed to the Gas Company by Dr. Hepperlen. As the gas company has received no such letter from Dr. Hepperlen, and as the only information I have concerning it is from the columns of the papers, I take it that the doctor was more concerned in advertising his dislike to the gas company than in trying to correct any of the abuses which he thinks exist.

If Dr. Hepperlen will take the trouble to investigate, he will find that many of the statements contained in his letter are wholly without foundation and are untrue. In fact, the letter signed by H. M. Hepperlen bears all the ear marks of a certain Beatrice attorney who, for a number of years, has devoted himself to violent attacks upon the gas company, and whose whole career as a citizen of Beatrice has been that of a destroyer, rather than a builder. I am very much surprised to think that a learned gentleman occupying the position occupied by Dr. Hepperlen would lend his name to a letter containing so many misstatements and so much that is unjust and unfair.

It certainly seems very unfortunate that Dr. Hepperlen should charge other people with making promises which they have never kept. This is a charge which might easily be made against many people who set themselves up to be immaculate.

The gas company has nothing to conceal from the public or from its consumers. All we ask is that we should be granted a rate which would allow us a reasonable return upon the actual valuation of our property.

The records of the United States Court at Lincoln contain the sworn statements of qualified engineers that the present property and business of the gas company could not be duplicated for less than \$130,000. Some engineers place the amount 20 per cent higher than this. Even the engineers who were employed by the city in the gas company suit have made and filed sworn statements that the property could not be duplicated for less than \$100,000.

The gas company asks no enormous profits, but only a living rate. If the gas company could possibly be so fortunate as to make fifteen or twenty thousand dollars a year, as Dr. Hepperlen is said to be making, and on so slight an investment as Dr. Hepperlen is said to have invested, we would be perfectly willing to lower our rates. But while Dr. Hepperlen is taking from the people of this vicinity an enormous amount of money each year and spending it in building enormous houses and for his own personal benefit, the gas company is paying out to the working people of Beatrice almost \$10,000 a year in wages, which amount goes at once into the channels of trade, and it seems to me that a man who gets so much from the people and gives so little in return as Dr. Hepperlen should be the last man to criticize a public enterprise like the gas company, especially when no private individual has had so much done for him by the gas company as has Dr. Hepperlen.

As to the statements made by Dr. Hepperlen in his advertisement, I wish to say that it is true that the gas company has about \$15,000 of capital stock outstanding and that it has about \$106,000 of bonds outstanding. It is also true that the gas company has never in a single year since it has been doing business in Beatrice been able to make enough money to pay its running expenses and pay the interest on its bonded debt. There has never been a dividend of any kind declared on the capital stock of the gas company or upon any part thereof.

If the gas company is only asking the people of Beatrice to pay rates for gas that will enable it to pay its reasonable expenses of operation and to pay a fair rate of interest on the amount necessary to duplicate the plant and business, there is not a fair-minded man in the city of Beatrice who can object, and until the rates received by the gas company are shown to do more than this, no man who is willing to be fair can object.

As I have stated, the bonded debt is about \$106,000, which is more than \$20,000 less than the present value of the plant as fixed by conservative engineers. The gas company has never in a single year been able to make enough money to pay its operating expenses and to pay the interest on

this bonded debt, so that the stockholders have never at any time received one dollar in the way of dividends. Who is there among the hon-

est men of Beatrice who will insist that a public service company be required to furnish service to the public at a rate so low that it cannot pay its running expenses and pay at least 6 per cent on the amount necessary to duplicate its plant and business, without allowing anything for depreciation. No one except the man who is ignorant of conditions or the man who is blinded by prejudice.

Dr. Hepperlen makes the statement that we are seeking to maintain a rate from 20 to 30 per cent higher than the rate named in the original franchise. The original franchise was based entirely on a proposition to make gas out of straw and cobs. It was found to be impossible to do this, and the gas company was compelled to resort to the old methods of manufacturing gas. These methods were much more expensive. The matter was fairly presented to the city council. A committee of men, some of whom were prejudiced against the company, was appointed by the council to investigate and this committee, after an extensive investigation, made at the expense of the gas company, reported to the city council that the gas company was not paying expenses, and the mayor and council, after duly considering the matter, and following the advice of the city attorney that they had a right to raise the rate, increased the rate.

The gas rates in Beatrice are today lower than in any city in the state of Nebraska, except the cities of Lincoln and Omaha and yet, in spite of this fact and the fact that the gas company has never been able to pay its operating expenses and the interest on its bonds, there are some people in Beatrice, who have never done anything for Beatrice, but who have always been wanting Beatrice to do something for them, who have spent their time for years in misrepresenting the conditions of things and endeavoring to create a prejudice against the gas company.

The gas company is the only public service company in the city of Beatrice that pays a franchise tax. By the franchise granted to it, the gas company each year pays into the city treasury 2 per cent of its gross income. This tax amounted to the following sums:

1910	\$1430.92
1911	\$1044.00
1912	\$1601.60

In addition to this extra tax, the gas company has paid a general tax as follows:

1910	\$756.21
1911	\$839.77
1912	approximately \$825.00

Adding these sums together shows that the gas company has paid total taxes as follows:

1910	\$2187.12
1911	\$1333.77
1912	\$2426.60

We understand that the personal tax of Dr. Hepperlen for the year 1912, including poll tax, amounts to less than \$40. This seems to be a wonderfully low tax for a man said to be making \$20,000 a year.

Dr. Hepperlen says that the quality of gas which we supply to our consumers averages 15 to 20 per cent less in heat value than what we contracted to furnish to the city. I challenge the correctness of this statement and offer our laboratories and any assistance that we can give to Dr. Hepperlen for him to prove the assertion he has made. Let him prove it, or let him apologize to the people of the city of Beatrice for making a statement of facts concerning which he knows nothing. I am greatly surprised that a man of Dr. Hepperlen's standing would be willing to sign a letter containing such statements as these.

Dr. Hepperlen also states that our advertisements are untrue and that the cost of manufacturing gas, including labor, material, leakage, depreciation and a reasonable rate of interest on investment is less than we state. Again I challenge the correctness of Dr. Hepperlen's statement and demand that he prove the same. I had not learned that Dr. Hepperlen was an authority on gas manufacture. I have always known him to be an authority on appendicitis, but if he is a gas expert, here is an opportunity for him to prove to the people of Beatrice that his statements are true.

Dr. Hepperlen also signs a statement claiming that the gas company has a net annual profit of approximately \$15,330. This is certainly a strange statement to be made by a physician who has never seen our books has never inquired as to our assets or our liabilities, and knows nothing whatever about the facts in the case. Again I say that the doctor has been misinformed and that his statement is untrue, and again I challenge him to prove it to the peo-

ple of Beatrice or to apologize to your readers for his misstatement.

The facts are, as I have stated, that the gas company has never been able to even pay interest on its \$100,000 of bonds in addition to its running expenses and that the net earnings of the company, after the payment of operating expenses, are less than one-third of the amount named in Dr. Hepperlen's letter.

Whether the president of this company has stated that his gas companies (of which he is interested in several) are earning more than three times the interest charges on their bonded debt, or not cuts no figure whatever so far as this discussion is concerned. The facts are, as I have stated, that the local gas company does not make enough money to pay interest on its bonded debt, and this interest must be made up from other sources.

The people of Beatrice should know that there is a set of men in this city who are always "knockers," and who are never "boosters." These men have never lifted a hand to help Beatrice unless they could see something in it for themselves. Some of these men have always been fighting the gas company, and some of them have been exceptionally friendly to the electric light company. I am surprised that Dr. Hepperlen should be willing to class himself with this kind of men. Had he taken the trouble to investigate conditions, I am sure he would not have done so.

All the gas company asks is a square deal. It is furnishing the city of Beatrice with good gas at a lower rate than any other city of this size in Nebraska. Up to this date in its history it has never been able to pay its expenses and 6 per cent on the amount of money it would be necessary to spend in order to duplicate the plant.

Do the fair minded, honest citizens of Beatrice who believe in fair play and who are not actuated by any desire for revenge or any desire to cripple the gas company in order to help out some competitor think it is a wise thing to drive the gas company into bankruptcy?

THOMAS RICE.

Feb 7, 1913
Daily Express

Gas
Electric

NEW CONCERN TAKES CHARGE

Continental Gas and Electric Co.
takes Over Business. New System
Highly Spoken of by Expert.

Today the Continental Gas and Electric company of Cleveland, O., took formal possession of the property formerly owned by the Iowa-Nebraska Public Service corporation. The work of improving and reconstructing the system which has been going on under the supervision of Engineer E. V. Capps of Blair will be continued.

Beatrice will have an excellent system of lighting when the reconstruction work is finished. F. H. Brown, formerly engineer for the Lincoln Traction company and now manager of the Red Oak, Ia., division of the Continental Gas and Electric company's business, was in the city just preceding the purchase of the electric company's property to get a rough invoice of the property. After looking over the reconstruction work and the plans for the system here in Beatrice he reported to the company that Beatrice would have an excellent system.

He said that Mr. Capps had planned a system which, when completed, would be the best in any city in Nebraska. He also stated that the reconstruction work was being carried on in an excellent manner and that Beatrice was very fortunate to have so careful and efficient an engineer in charge of the reconstruction work in Beatrice for it insured the efficiency of the system.

Sept 1, 1914
Daily Express

MANAGEMENT OF GAS COMPANY ANNOUNCES WILL CLOSE DOWN PLAN MIDNIGHT OF JUNE

Result of Failure of City Commissioners to Grant Increase In Rates Asked for Temporarily to Meet Increased Cost of Coke and Oil—Causes Sensation

As a result of the refusal of the city commissioners to grant an increase in rates asked for by the Gage County Gas, Light & Power company, Manager Thomas Rice announced this afternoon that the company will close down its plant

The company filed a petition with at midnight Wednesday, June 12, the city commissioners some months ago setting forth that it had been operating at a loss for over two years owing to increase in the price of coke, oil, etc. A temporary increase in rates of fifteen per cent was asked for at first. The action not being favorably acted upon, although an audit of the company's books by F. E. Wheeler showed that the contention of the company that it was operating at a loss was correct, an attempt was made to secure individual contracts with consumers calling for an increase of twenty per cent.

The subsequent mass meeting of consumers and its proceedings are familiar to Beatrice residents, the commissioners tabling a request of a committee of citizens that action

be taken in the matter at once.

A formal notice of the decision of the company to close down its plant on June 12 will be mailed to consumers and a statement will also be made through the newspapers.

It was stated some time ago that the company was in a position where some relief must be obtained. Failing to secure this relief, the only course is the closing down of the plant.

Pays Franchise Tax

A check of \$941.50, the amount due the city from the gas company on its franchise tax for the year, was paid to the city this afternoon. If the order to close down the plant is carried down, this will be the last payment the city will receive from the company.

Nothing To Say

Asked as to what action the company would take in the matter, Heffelfinger and City Commissioner Weigel informed an Express reporter this afternoon that they had no statement to make at this time, preferring to await the formal notice from the gas company.

The Gas Controversy

The announcement of the gas company that the local plant is to be closed down at midnight, June 12, as a result of the failure of the city commissioners to grant the company permission to increase its rates, brings the consumers of the city face to face with a serious situation.

Leaving aside all controversy between the city commissioners and the gas company as to the necessity for the increase asked, the gas consumers of the city are the people to be taken into consideration in the matter and they insist that something be done at once to avert the closing down of the plant with the consequent inconveniences which they will be compelled to suffer should the announcement of the company be put into effect.

The gas company management claims that it cannot run its plant at present rates, asserting that it has been losing money for over two years. It gives the report of a Beatrice accountant to substantiate its statements. The city commissioners seem to have little faith in the company's statements at least refusing to grant the relief asked.

As a result the gas consumers of the city are to be made the goat, and are now facing the dilemma of being compelled to go without gas. Many Beatrice homes are piped for gas alone, and to purchase stoves and other equipment at this time would mean substantial loss. Those affected care but little for the controversy between the city and the gas company. They are entitled to gas service, and should not for a moment be put to inconvenience owing to the inability of the gas company and the city commissioners to settle their differences.

If the gas company is unable to furnish gas at the present rates, and the city feels that the rate is high enough, the remedy would appear to be the operation of the plant by the city.

The gas plant should not be permitted to close down for a single moment. The gas consumers are holding the city commissioners responsible for a satisfactory settlement of present conditions. It is up to the city commissioners to see to it that an agreement is entered into whereby service will continue. No experiments will satisfy at this time.

This is no time for stalling. The people want and are demanding action. Give the gas company the relief asked for temporarily or to operate the plant by the city.

Gas

June 2,
1918

June 1, 1918
Daily Express

MANAGEMENT OF GAS COMPANY ANNOUNCES WILL CLOSE DOWN PLAN MIDNIGHT OF JUNE 12

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A formal notice of the decision of the company to close down its plant on June 12 will be mailed to consumers and a statement will also be made through the newspapers.

It was stated some time ago that the company was in a position where some relief must be obtained. Failing to secure this relief, the only course is the closing down of the plant.

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A check of \$941.50, the amount due the city from the gas company on its franchise tax for the past year, was paid to the city clerk this afternoon. If the order to close down the plant is carried down, this will be the last payment the city will receive from the company.

Nothing To Say

Asked as to what action the city would take in the matter, Mayor Heffelfinger and City Commissioner Weigel informed an Express reporter this afternoon that they had no statement to make at this time, preferring to await the formal notice of the gas company.

June 1, 1918
Daily Express

COMMISSIONERS NOT READY TO COMMENT ON GAS. CO. ACTION

No action has as yet been taken by the city commissioners relative to the announcement of the gas company management that it will close down its plant at midnight Wednesday, June 12.

The city commissioners assert that they have no statement to make at this time, as the only notice they have of the plans of the gas company is the announcement made through the newspapers.

It is understood that another effort will be made by business men to bring the commissioners and gas management together on some sort of a proposition which will prevent the closing down of the plant.

Following is the company's statement:

To Our Gas Consumers:

On account of unavoidable causes beyond its control, the Gage County Gas Light & Power company is, and for some time has been, unable, (except at a great and rapidly increasing loss), to furnish gas to its patrons at the rates which are now, and for several years last past, have been, in force, and as the city council of Beatrice has neglected and refused to grant the company an increase in its rates for gas, the company has been forced to decide to shut down its plant, at least temporarily and until conditions are so changed either by a sufficient increase in gas rates by the city council or by a reduction in the cost of materials and labor necessary for the production of gas to enable the company to resume the operation of its plant.

In order to cause as little inconvenience as possible to its patrons, the company will operate its plant and furnish gas at the present rates until midnight of the 12th of the

present month, (June), at which time the gas will be shut off to all consumers.

Owing to the extraordinary war conditions and the great and continuing increase in the cost of materials and labor it has been for some time known to the city council and to the public generally that the company was operating its plant at a loss. The actual cost of furnishing gas to its consumers exceeds, and for some time has exceeded, its receipts from the sale of gas without taking into consideration the depreciation of its plant or the payment of interest upon its indebtedness.

As is generally known, the company is, and for years has been furnishing gas to its consumers at lower rates than those in other cities of the size of Beatrice, situated in this part of the country. Notwithstanding this fact, in such other cities, the local authorities of these other cities have recently generally granted very substantial increases in gas rates.

The company and also a majority of its patrons, have urged upon the present city administration the justice and necessity of granting such a reasonable increase in gas rates, as would be fair both to the company and its patrons, and enable the company to continue in business. These efforts have been wholly in vain and there being no relief in sight, the company is reluctantly forced to discontinue operation at least for the time being, commencing with midnight on the 12th day of the present month.

In this connection, we desire to thank our patrons for the way in which they have generally stood by us in our efforts to continue in business and serve them.

Dated June 1, 1918.

The Gage County Gas, Light & Power Company.

By THOS. RICE,
Its Manager.

June 3, 1918
Daily Express

GAS SITUATION IS DISCUSSED AT MEETING OF CITIZENS

A meeting held Tuesday evening at the Commercial club headquarters following a session of the club directors, resolutions were unanimously passed urging the city commissioners to take steps within the next three days to arrange some means whereby consumers of gas in this city can be supplied with gas. Mayor R. C. Heffelfinger and Commissioners Rife and Weigel were in attendance at the meeting. They indicated that they would act upon the recommendation of the meeting. Mayor and Commissioner Rife voted for the resolution, which is as follows:

"That it is the sense of the meeting that the commissioners arrange as soon as possible some fair means whereby customers of gas in the city can be supplied with gas, and they should give the public a report through the press within five days."

The meeting also went on record favoring the physical valuation of the gas plant by the adoption of a plan providing "That the commissioners proceed to determine the physical valuation of the gas plant, and the cost of producing gas, so

that rates may be adjusted in the future without the recurrence of a situation like the present one."

The situation was discussed in an earnest manner by citizens and gas consumers in attendance. Among those participating being Gen. L. W. Colby, C. B. Dempster, J. W. Burgess, A. J. Stoddard, F. D. Kees, E. L. Hevelone, W. H. DeBolt, Dr. C. P. Fall.

Mayor Heffelfinger stated during the meeting that he favored a plan whereby an accountant might be placed in the office of the company for one, two or three months in order to determine the actual costs of manufacturing gas, running the plant, etc., not taking into consideration the report of the company or the special accountant named by the commissioners. Under this plan according to the mayor, customers would be billed for the cost of manufacture at the end of the month.

The mayor was of the opinion that the representatives of the gas company should call at the city hall to discuss the matter, but stated that no effort had been made by the management to avert the present crisis by consultation with the city officials within the past few weeks.

June 5, 1918
Daily Express

GAS COMPANY ACCEPTS CITY'S PROPOSITION SUBJECT TO A FEW MINOR EXCEPTIONS

Agrees To Audit of Books and Employment of Engineer to Make Valuation of Gas Plant—Objects to Confusing Gas And Electric Proposition

Manager Thomas Rice of the Gage County Gas, Light and Power company this afternoon filed with the city commissioners, the company's answer to a proposition made by the city commissioners in a conference held Wednesday afternoon with C. W. Manlove and Manager Rice.

The answer filed by the gas company manager refers to certain propositions said to have been made by the city commissioners calling for an audit of the gas and electric company's books at the Omaha office for the month of April 1918, the city to put into effect a twenty per cent increase in the rates should such audit show the contention of the gas company to be correct that an increase in rates is necessary to avoid doing business at a loss.

According to Mayor Heffelfinger and Commissioner Weigel, there appears to be some difference between the city officials and the gas company management relative to the proposition submitted by the city. It is asserted by the commissioners that the answer filed this afternoon is a counter proposition and not an acceptance of the city's proposition. The commissioners assert that they have taken the proposition under consideration and will issue a statement Saturday.

The gas company accepts the proposition of the city to put into effect a twenty per cent increase in the present gas rates for a period of three months beginning June 1, 1918, during that period a competent auditor to be employed to audit the books of the gas company, and a competent engineer to be employed by the city to make a fair and correct valuation of the plant and property of said company, the auditor and engineer to be men of well recognized ability, such appointment to be satisfactory to both city and gas company. The audit and valuation to be made prior to August 15, 1918, and filed with the commissioners by that

date, the commissioners, within put into effect an ordinance establishing rates to be charged by the gas company which rates shall be sufficient to pay the operating expenses of said company, including depreciation, and such fair return of said valuation of the gas company's plant and property as is recommended by the war finance council appointed by the United States government.

The gas company, in its answer states that it has no control over the books of the electric company, nor any right to grant an audit of the same, or a valuation of the plant of the electric company. The gas and electric companies are separate companies and have no relation to each other and their books are kept separately.

The gas company agrees further that it is understood that whatever rates may be fixed by the council after said audit and valuation shall be subject to change by the council at any time whenever the then existing conditions show that such rates are higher than is necessary to pay the operating expenses of the gas company, including depreciation of its plant and property and the said fair return on said valuation of the plant and property or whenever said rates prove to be less than is necessary to pay such operating expenses and depreciation and fair return on said valuation, it being understood that the said rates shall, at all times, be compensatory and such as shall be sufficient for said purposes.

The company sets forth that it is and has been the claim of the company at all times that the twenty per cent increase in rates asked for is not adequate at the present time and will not be adequate so long as conditions remain as they now are.

From the statement of the commissioners and the proposition of the gas company management, it would appear that there is some question as yet of an amicable settlement of the differences between the city and the company.

June 7, 1918
Daily Express

STATEMENT TO THE
CITY COMMISSIONERS

Beatrice, Neb., June 6, 1918.

To the Honorable Mayor and City Council of the City of Beatrice, Nebraska.

Gentlemen:

Referring to the conversation which Mr. Mahlove and Mr. Rice had yesterday with Mayor Heffelfinger and Commissioner Weigle, we understand the proposition made by the city to the gas company to be in substance as follows:

Terms of Proposition.

The city proposes that if the gas company will permit an auditor, chosen by the city, to make a one day investigation of the gas company's books covering the receipts and expenditures of the gas company for manufacturing and distributing gas for the month of April, 1918, then if the said auditor finds that the books of the gas company uphold the contention of the gas company that an increase of gas rates is necessary to avoid doing business at a loss, the city council will at once provide for an increase of 20 per cent in the gas rates now being charged by the said company for a period of three months beginning with June 1, 1918, and ending with Aug. 31, 1918; that during said period of three months (if the company is willing), the city council will at its own expense, employ a competent auditor to examine the books of the gas company and make a valuation of the plant and property of the gas company, and said auditor shall report his findings in writing to the city council on or before the 31st day of August, 1918, and the said city council of Beatrice will without delay pass an ordinance fixing the rates to be charged for the furnishing of gas by said company to gas consumers at such amounts as will pay operating expenses together with a fair return on said valuation and depreciation on the valuation of said plant and property as fixed by said auditor.

Cites Company's Position

It being understood that such rates shall be put in force by the gas company and the said gas company will not enter into litigation with the city of Beatrice over such rates so fixed, but will accept the same with the right of the gas company to close its plant, if it believes said rates to be insufficient, without objection from the city to such closing.

We also understand your proposition to include the audit of the books

of the electric light company and the valuation of its plant and property.

We have carefully considered your proposition as above outlined and hereby accept it, subject to one or two minor exceptions and additions to which we have no doubt you will agree.

The gas company hereby accepts your proposition that you will put into effect the 20 per cent increase in the present gas rates for a period of three months beginning June 1, 1918, and that during said period a competent auditor shall be employed by the city to audit the books of the gas company, and that a competent engineer shall be employed by the city to make a fair and correct valuation of the plant and property of the gas company, it being understood that the selection of said auditor and engineer shall be made by the city council and the gas company and be satisfactory to both parties.

Said audit and valuation shall be made prior to the 15th day of August, 1918, and filed with the said city council by that date, and within fifteen days thereafter the city council shall pass and put into effect an ordinance establishing rates to be charged by the gas company for gas in the city of Beatrice, which rates shall be sufficient to pay the operating expenses of said company, including depreciation, and to pay such fair return on said valuation of the gas company's plant and property as is recommended by the war finance council appointed by the United States government for plants of this kind and size in cities of about this size in the middle west.

And the gas company hereby agrees that if such valuation so made and such rates so fixed that it will accept said rates and put them into effect.

Instead of the one day audit of the company's business, the company will furnish to the city without delay an itemized statement of all receipts, expenses and disbursements in carrying on its said plant for the month of April, 1918, which statement will be fuller and more accurate than the information which could be obtained by a one day's investigation of the books of the company.

If the audit of the books of the company show that the company is operating at a loss for the months of June, July and August, 1918, while the company is operating under these temporary rates, then such loss shall be taken into consideration by the council in fixing the rates.

Companies Separate.

The gas company has no control over the books of the electric company, nor any right to grant an audit of the same, or a valuation of the plant of the electric company, as the electric company and the gas company are separate companies and have no relation to each other and their books are kept separately.

It is to be further understood that whatever rates may be fixed by the city council after said audit and said valuation, shall be subject to change by the city council at any time whenever the then existing conditions show that such rates are higher than then is necessary to pay operating expenses of the gas company, including depreciation of its plant and property, and the said fair return on said valuation of the plant and property of the company, or whenever said rates prove to be less than is necessary to pay such operating expenses and depreciation and fair return on said valuation, it being understood that the said rates shall at all times be compensatory and such as shall be sufficient for said purposes.

We add, merely that our position on this matter may be made a matter of record and kept constantly in mind, that it is, and at all times has been, the claim of the gas company, that the twenty per cent increase in rates hereinbefore mentioned is not at the present time and for some time has not been adequate, so long as conditions remain as they now are, to cover the operating expenses of the company, (including the depreciation of its plant and property), and to pay a reasonable return upon a just and fair valuation of its plant and property employed in carrying on its business, but such twenty per cent increase has been requested, and is offered to be accepted, as hereinbefore set forth, solely as a temporary expedient to enable the company to continue in business and serve its customers until just and reasonable rates are granted to it.

We desire, if possible, to avoid litigation or the shutting down of our plant and trust that you will see your way clear to join with us on the basis hereinbefore set forth in making an amicable, speedy and fair adjustment of the question of gas rates.

Respectfully,

GAGE COUNTY GAS LIGHT
& POWER COMPANY

By Thomas Rice, Its Mgr.

June 8, 1918
Daily Express

Gas

COMMISSIONERS AND GAS CO. FAIL TO AGREE AT CONFERENCE

At a meeting of the city commissioners held this morning, the proposition of the gas company, submitted Friday afternoon, was rejected, the commissioners adopting a resolution which flatly refuses to grant a temporary increase in rates pending an audit of the books of the gas and electric companies.

Following the meeting of the commissioners, a conference was held at which G. W. Manlove of the gas company and Samuel Rinaker, representing the company, were present, together with City Attorney W. S. Bourne and E. O. Kretsinger, the latter being called upon by the commissioners to assist in looking after the city's interests.

The commissioners assert that the answer filed with that body Friday, is a counter proposition and refuse to consider it. They assert that their proposition to Mr. Manlove of the gas company, provided for an audit of the books of the gas and electrical companies and a companies and a physical valuation of the two plants, the city to grant physical valuation of the two plants, the city to grant a temporary increase of twenty per cent for three or four months, the company to furnish a bond showing its willingness to refund the twenty per cent increase charged during the above audit should the investigation show that the company has not been running at a loss.

Mr. Manlove, according to the commissioners, refused to consider the matter of an audit of the books of the electrical company, stating that this company is separate from the gas company and should not be considered in the present controversy. The gas company also asks that the auditor and appraiser to be appointed should be men qualified to act in such capacity and should meet with the approval of the company.

At the conference this morning, Mr. Rinaker, representing the gas company, asked the commissioners to state in writing, just what the city would agree to and just what objection it has to the proposition of the gas company. This the city officials refused to agree to, stating that the resolution adopted represented its last word.

The resolution follows:

"Whereas, a question has arisen as to the necessity and justice of increasing the rates now charged

for gas by the Gage County Gas Light and Power company, as well as the fairness or unfairness of charging the gas consumers any greater rates for gas than now charged, when the cost of living has increased by reason of the war and in order to protect the maker of gas and the consumer as well and give each a square deal.

"It is therefore ordered by the mayor and city council of the city of Beatrice, Nebraska, that an auditor or auditors be employed and paid for by said city of Beatrice to audit the books and accounts of the said Gage County Gas, Light and Power company and the Nebraska Gas and Electric company (by reason of the joint and intermingling business relations that they are now sustaining to each other) correctly to ascertain the profit or loss of operating the gas company for such period of time as we may select.

"And it is further resolved that said audit shall be made with the greatest haste that may be compatible with the correctness of the work performed by the auditor or auditors.

"And it is further resolved, that if said audit shows that said gas company was operating at a loss during said period investigated and audited, to such an extent that its rates for gas should be adjusted, we will immediately adjust the ordinance rates now enacted for gas as may be just, correct and fair to the gas company as well as to the gas consumers in said city of Beatrice and that said gas rates shall not be changed or adjusted until the auditor reports to the mayor and council and his report is acted upon and an ordinance passed based upon said report adjusting said rates, if it is found proper and just to make any changes in the present gas rates now established by ordinance."

The differences between the city and the gas company appear to be farther from settlement as a result of the passage of the resolution than at any time since the attempt was started to endeavor to bring the commissioners and the gas company management together.

Whether the company will stand on its order for the closing down of the plant on the night of June 12, remains to be seen, but indications point in that direction.

June 8, 1918
Daily Express

Gas

CITY TO ASK FOR TRIAL OF CASE AGAINST GAS COMPANY

The litigation between the city of Beatrice and the Gage County Gas, Light & Power company, which has been in federal court for some years, is to be pushed, according to Mayor R. C. Heffelfinger and Commissioner Wallace Weigel. The case arising from a rate controversy over the passage of an ordinance under a former administration, is to be pushed to trial if possible, according to the city officials. It is understood that E. O. Krétsinger, who was city attorney when the rate ordinance was passed, is to be employed to assist City Attorney W. S. Bourne in looking after the city's interests.

June 8, 1918
Daily Express

GAS COMPANY MANAGEMENT SUBMITS NEW PROPOSITION TO CITY COMMISSIONERS

**Suggests Matter of Selection of Auditor and Engineer Be
Left to Fuel Administrator Kennedy—Offers to Abide
By the Report of Auditor**

John L. Kennedy, fuel administrator, will arrive in the city tonight on the Burlington and will meet the city commissioners, the officials of the gas company and all other parties interested in the gas controversy desiring to attend at the Commercial club rooms at 8:30 o'clock.

All that remains now, for Beatrice gas consumers to be able to cook their breakfasts tomorrow morning on their gas ranges, is the acceptance by the city commissioners of a proposition submitted by Manager Thomas Rice of the gas company, in which it is suggested that the city consent to an immediate increase in rates of twenty per cent and to leave the selection of an auditor and engineer to John L. Kennedy of Omaha, federal fuel administrator for the state of Nebraska.

On behalf of the gas company, Manager Rice filed with the City Clerk Graf this afternoon its final proposition, which provides for a twenty per cent increase in rates commencing June 1, 1918, the company agreeing that if the report of the auditor and engineer shows that the company is not entitled to such increase, it will repay such twenty per cent or such part of the amount as it is not entitled to, to the gas consumers. The gas company also suggests the appointment of a disinterested auditor and engineer by Mr. Kennedy.

Action on the proposition must be taken before midnight tonight, or the company will stand by its original announcement and close its plant.

Mayor Heffelfinger, when apprised of the contents of the proposition by a Daily Express reporter, stated

he would endeavor to call the commissioners together and take up the matter. He could not state, before seeing the proposition, just what action would be taken.

John L. Kennedy of Omaha, federal fuel administrator for Nebraska, in a telephone conversation with the Daily Express this afternoon, stated that he had wired Federal Fuel Administrator Garfield relative to the matter, asking for instructions. He stated that he had received no reply up to 2 o'clock. He stated that the state fuel administration was interested in seeing that the gas consumers of Beatrice suffered no inconvenience and hardship and that he desired, if possible, to keep the plant running. The question of rates, said Mr. Kennedy, is purely a local one, the object of the state fuel administration being merely to prevent the breaking of service. The situation in Beatrice he suggested, was an unusual one.

Agreement between the city com-

*June 12, 1918
Daily Express*

missioners and gas management now appears to be merely related to the question of the appointment of an auditor and engineer.

The proposition submitted to the city commissioners by the gas company is as follows:

Gas company's Proposal.

Beatrice, Neb. June 12, 1918.

To the Mayor and City Council,

Beatrice, Nebraska.

Gentlemen:

In order, if possible, to avoid the closing of our plant, pursuant to the notice heretofore given, and to make, if possible, an amicable, speedy and permanent adjustment of the controversy in regard to gas rates now pending between you, Honorable Body and this Company, The Gage County Gas Light and Power Company, submits to you the following proposition and requests your immediate consideration and action in respect thereto:—

If the City Commissioners will once grant to the Gas company a temporary increase of 20 per cent in the present gas rates to take effect at once, as of June 1st, 1918, and will agree that John L. Kennedy, Government Fuel Administrator for the State of Nebraska, shall appoint a competent and disinterested certified accountant to audit the books, accounts and records of the Gas Company, and a competent and disinterested engineer to appraise the value of the plant and property of the Gas Company, and to determine and report, with convenient speed, what are reasonable, just and compensatory rates to be charged by the Gas Company for gas under present conditions, and the City Council will agree to put in force at once such new rates as may be found to be reasonable, just and compensatory by the report of such auditor and engineer, then the Gas Company will agree to continue the operation of its plant at the 20 per cent increase until such new rates may be put into effect in conformity to such report, and will also agree that, if it is found by the report of such auditor and engineer that the Gas Company is not entitled to the 20 per cent increase, it (the Gas Company), will repay to its consumers such 20 per cent increase, or such part of the 20 per cent increase as it is not entitled to, under such report.

Respectfully submitted,
THE GAGE COUNTY GAS LIGHT
AND POWER COMPANY.

By THOMAS RICE,

Its Manager.

Polycapillaries

and will mean the carrying of gas to practically every citizen in the city.

The company was put in operation about two years ago and its growth and expansions since then are worthy of notice. Its consumers number over 1,000 and the list is being added to every day. The extremely low price charged for gas is given as the reason why the product has found such general use, particularly for fuel and industrial purposes. The price obtaining in Beatrice is said to be the lowest of any city of the same size in America where artificial gas is used.

The city is a partner with the company in its business and 3 per cent of the company's gross receipts are annually paid into the city treasury. This fact makes the affairs of the company of special interest to the citizens as a whole. The company has on its pay roll upwards of fifteen men and its future development will place it among the important industrial concerns of Beatrice.

As it is well known, the company has asked the city to extend its franchise. This question will be passed on at a special election on Tuesday, August 23. There will be no change in the price charged for gas or other terms of the franchise and the same favorable conditions will be maintained as they now exist. The only change will be an extension of the life of the franchise, so that the latter will expire a few years later than was contemplated in the original grant. This is in accordance with an enactment of the recent legislature, and the company, it is understood, desire to take advantage of the provision in order to enable them to take out their bonds so as to provide capital for the enlargements to their property as outlined above.

Aug. 13, 1909

REAL SITUATION IN GAS AND ELECTRIC FRANCHISE SUITS

Temporary Restraining Orders
Have Long Been In
Effect.

PETITIONS FILED IN DECEMBER ARE UP

Dilatory Methods Charged to
City Commissioners and U.
S. Court Is Prayed to Per-
mit Bringing Up Cases

City Attorney Sabin went to Lincoln today to investigate the standing in U. S. court of two city cases which have been pending for a long time. One is the Gage County Gas Light & Power Company vs the city of Beatrice, et al, and the other is the Beatrice Electric Company, complainant, vs the city of Beatrice, et al defendants.

These are injunction suits, brought by the several companies to restrain the city, under the Griffin administration, from enforcing new rates regulating ordinances. Temporary restraining orders were issued out of the U. S. court at Lincoln and there the cases have stood, final hearing on the merits never having been had.

Motions Month Old.

On December 14, 1912, Atty. E. O. Kretsinger filed motions in the Lincoln court in each case, intended to hurry them to a conclusion and that part of it is an old story. Atty. Kretsinger paid a visit to Lincoln Wednesday on the matter and City Atty. Sabin went up today to ascertain when the cases will come on for hearing as they were bound to do in due course of time if the motions had never been filed.

The motions are signed by William E. Griffin, former mayor, Atty. Ernest O. Kretsinger, former city attorney, and John W. Ashenfelter, chief of police under the Griffin administration.

The petition in the gas case recites in part the following:

"The ordinance rates that the said city of Beatrice and the above named city officers were attempting to enforce were rates that were adopted by the people of Beatrice at a special election held at the instance and request of said Gage county Gas, Light and Power company, and were rates known as dollar gas rates to the consumers of said city, and were rates that were specifically granted to the consumers of gas in said city of Beatrice, providing that at said election the said voters of Beatrice would grant to said Gage County Gas, Light and Power Company a franchise to use the streets, alleys, bridges and other public highways in said city of Beatrice."

Further the petition alleges:

"That notwithstanding said Gage County Gas, Light and Power Company has been exacting excessive, extortionate and illegal rates for gas from its consumers, and charging rates for gas greatly in excess of the ordinance rates in said City of Beatrice, the said three commissioners in said city of Beatrice and the present city attorney of said city have failed, neglected and refused to make any attempt to dissolve said restraining order or obtain a hearing from this honorable court upon the merits involved, and have to all appearances an acute friendship with said Gage County Gas, Light & Power Company and have wholly neglected and disregarded the rights of said City of Beatrice, its citizens, tax-payers and gas consumers, and have permitted said extortionate rates for gas to be taken and collected illegally from the said citizens, tax-payers and gas consumers of said city of Beatrice."

The signers then pray the court to permit the case to be called up for immediate hearing.

Electric Company Case.

The petition relating to the electric light company is practically the same. The charge against the city commissioners in this petition is couched in the following language:

"That notwithstanding the said Beatrice Electric Company has been exacting excessive, extortionate and illegal rates for electric current from its consumers and charging rates for electric current greatly in excess of

the ordinance rates in said city of Beatrice, the said three commissioners in said city of Beatrice and the present attorney of said city have failed, neglected and refused to make any attempt to dissolve said restraining order or obtain a hearing from this honorable court upon the merits involved, and have to all appearances a bias, passion and prejudice in favor of the said Beatrice Electric company, and have wholly neglected and disregarded the rights of said city, its citizens, tax-payers and the electric current consumers, in said city, and have permitted the said extortionate rates for electric current to be taken and collected illegally from the said citizens, tax-payers and electric current consumers of said city of Beatrice."

The prayer in this case is identical with that in the gas company matter. They ask immediate hearing.

No Reference to Water.

There is no reference whatever in the petitions to water contracts or any dealing with the Dempster Company as reported in The Daily Sun. The petitions are confined entirely to gas and electric affairs.

Under the present rates the gas company is getting \$1.30 and \$1.35 for gas, which with the per cent off gives \$1.30 and \$1.25 gas. The electric rate is a sliding scale of 13 3/4 cents per k. w. for a certain amount, then 6 cents per k. w. Under the ordinance it was sought to change the rate to 12 cents per k. w.

Jan 23, 1913
Daily Express

CITY THREATENS TO REVOKE GAS FRANCHISE

**Gas Company Given Ten Days to
Pay Delinquent Taxes for Years
1918 and 1919**

Unless the Gas Company pays its franchise tax for the years 1918 and 1919 by Friday, February 13, the franchise will be revoked, according to a resolution adopted by the city commissioners at a regular meeting held Tuesday afternoon.

The passage of the resolution introduced by Mayor R. C. Heffelfinger, follows notice served by Manager Thos. Rice some days ago that a settlement of the franchise tax must be made.

According to the company, the Gas Company owes the city something like \$2,000 for franchise taxes for the years 1918 and 1919.

The company, while not paying the occupation taxes, has not paid the city its funds sufficient to set its claims due to the company involved in lowering its grade on various streets were granted. Manager Rice, who was present when the grading was ordered, said it was necessary to lower the grade of the frost line and that the city should have paid for this expense.

The matter has now come to a show down stage, and the city has made the first move. Mayor Heffelfinger and Commissioners Weigel and Chas. Judd expect that the city will stand firm, but will delay but will revoke the franchise unless the tax for the two years is paid.

Feb 11, 1920

Daily Express

CHIEF DILLOW SERVES NOTICE ON GAS CO.

City Commissioners Demand Franchise Tax for Years 1918 and 1919—Text of Resolution

Chief of Police E. M. Dillow, acting for the city commissioners, this morning served on Manager Thos. Rice of the Gage County Gas, Light & Power Company, a copy of the resolution passed at Tuesday's session of the council demanding payment of the franchise tax for the years 1918 and 1919 on or before February 20.

Mayor R. C. Heffelfinger and Commissioners Weigel and Judd insist that the city will stand pat on its demand for the payment of the tax amounting to nearly \$2,000, and that failure of the company to make settlement on that date will be followed by the revoking of the franchise under which it is doing business.

Manager Rice, while claiming an offset amounting to nearly \$3,000 as a result of expense involved in lowering his mains after various streets were graded, does not say what action the company will take in the matter. He stated this morning that he is preparing an itemized statement of the company's expense which will be filed with the commissioners Monday.

The resolution adopted by the commissioners follows:

"Whereas, The Gage County Gas, Light & Power Company, legal representatives, successors, lessees and assigns of Charles A. Eaton, to whom was granted by the city of Beatrice, Gage County, Nebraska, a gas franchise passed and approved by the mayor and council October 8, 1906, also said franchise as amended passed August 24, 1909, and approved August 25, 1909, by the mayor and council of the said city of Beatrice, which said franchise expires August 15, 1934, have wholly failed, neglected and refused to file with the commissioners or clerk of said city of Beatrice, reports of the gross sales of gas for the years 1918 and 1919, and have wholly failed, neglected and refused to pay in to the city treasury of said city of Beatrice, three per cent of the gross receipts for the sale of gas for the years 1918 and 1919, as required by the terms and conditions of said franchise, and whereas, is now due and owing thereon to the said city of Beatrice, approximately the sum of \$2,000 from said company; therefore be it

"Resolved, By the mayor and council of the city of Beatrice, Nebraska that in the event of the neglect and failure of said Gage County, Gas, Light & Power company to file with said city commissioners or city clerk, a report, under oath, of its gross receipts, for the sales of gas for the year 1918, and to pay into the said city treasury, three per cent of the total amount of such gross receipts as shown by such report, on or before the 20th day of February, 1920, the said franchise of the said Gage County Gas, Light & Power Company be, and is hereby declared forfeited and all rights and privileges thereunder granted, shall become null and void."

Feb 13, 1920
Daily Express

Gas Turned Off; No Relief Offered

As a result of the failure of the city commissioners of Gage County Gas, Light and Power company to agree to a settlement of the rate increase controversy at a conference held Wednesday evening at the Commercial club rooms at which John L. Kennedy of Omaha, federal highway administrator for Nebraska attempted to act as mediator, the plant of the gas company was closed down at midnight last night, and several hundred gas consumers have been put to inconvenience of either purchasing oil stoves, calling on their more fortunate neighbors or eating cold meals.

The meeting Wednesday evening threatened at various times to result in an agreement whereby the gas company might continue to operate their plant, but a few minutes before midnight, when the last sentence of the gas company proposition was under consideration, an objection was made by Samuel Rinaker, representing the gas company, which resulted in the withdrawal of Mr. Kennedy from the efforts to bring the commissioners and the company together.

E. L. Hevelone presided over the meeting. Samuel Rinaker represented the gas company in a statement of conditions which brought the company to a determination to close the plant if an increase of twenty per cent in rates was given. E. O. Kretsinger was delegated by Mayor Hevelone to speak for the city, beginning his remarks with a attack upon the Commercial club and an eulogy of the city which he himself has taken in city affairs.

All three commissioners, when questioned, stated that they had signed petitions circulated by the company for an increase in gas rates. All three personally asserted that they were willing to grant a temporary increase in rates on a point which caused the breaking off of negotiations for temporary relief being the clause in the proposed agreement which provided as follows: "And (the city council) will agree that, if it is found by the report of such auditing engineer that the gas company is not entitled to the twenty per cent increase, it (the gas company) will repay to consumers such twenty per cent increase, or such part of such twenty per cent increase as it is not entitled to on such report."

GAS TURNED OFF; NO RELIEF OFFERED

(Continued from Page 1.)

Commissioners insist that they were willing for the gas company to pay the increase if they were convinced by the audit report, that the company was entitled to it.

Mr. Penaker, speaking for the gas company, stated that the company could not agree to the proposition of the city which brought forth the statement from Mr. Kennedy that it was enough.

Mr. Kennedy left for home this morning, stating that he awaited further instructions from Washington. The city commissioners stated that they have nothing to report until they hear from the fuel administration, and the gas company management states that in closing down its plant, it has merely taken the action which the situation demanded.

*June 13, 1918
Daily Express*

Gas

STATEMENT ISSUED BY MAYOR AND CITY COMMISSIONERS

Mayor R. C. Heffelfinger and Commissioners W. E. Rife and Wallace Weigel have issued a statement in which they set forth their side of the controversy at the meeting in the Commercial club rooms Wednesday evening which resulted in breaking off of negotiations of the gas rate increase and the closing down of the plant.

The mayor, in a former statement asserted that the commissioners had proposed to the gas company management that an audit of the books of the gas company for the month of April be made to determine whether or not an increase in rates was necessary; that the increase in rates be granted for three or four months until a thorough audit and physical valuation of the gas and electrical company could be taken; that the gas company agree to sign a statement that it would refund the twenty per cent charged during the investigation if the audit showed they were not entitled to the same. The mayor claimed Mr. Manlove refused to agree to the above terms.

Relative to Wednesday evening's meeting, the statement issued is as follows:

Beatrice, Neb., June 13, 1918.
Mr. Editor: We, the city commissioners, while in attendance at the meeting which took place the evening of June 12, 1918, at the commercial club, had agreed to sign and accept the agreement which we herewith attach.

If the city commissioners will at once grant to the gas company a temporary increase of 20 per cent in the present gas rates for a period of 90 days to take effect at once as of June 1, 1918, and will appoint a competent and disinterested certified ac-

countant to audit the books, accounts and records of the gas company and agree that Federal Fuel Administrator Gartfield shall select and send a competent and disinterested engineer to appraise the value of the plant and property of the gas company, and to determine and report with all convenient speed, what are reasonable, just and compensatory rates to be charged by the gas company for gas under present conditions, and the city council will agree to put in force at once such rates as the city council may find to be reasonable, just and fair to the gas company and consumer alike, then the gas company will agree to continue the operation of its plant at the 20 per cent increase until such rates may be put into effect, and will also agree that if it is found BY THE REPORT OF SUCH AUDITOR AND ENGINEER that the gas company is not entitled to the 20 per cent increase, or, (the Gas company), will repay to its consumers such 20 per cent increase or such part of such 20 per cent increase as it is not entitled to under such report.

When we were at a point where both the representatives of the city and the representatives of the gas company had agreed to this proposition, Mr. Rinaker, attorney for the gas company made the announcement that the gas company would not con-
cede to an agreement, whereby they would refund any over-charges whatever, if any, that might be determined by the city council after said investigation, audit and appraisalment.

Respectfully yours
R. C. HEFFELFINGER,
W. E. RIFE
WALLACE WEIGEL,
City Commissioners.

June 14, 1918
Daily Express

GAS COMPANY STATES ITS POSITION IN CONTROVERSY

In an interview today with a Daily Express reporter relative to the gas rate increase matter, a representative of the gas company discussed the propositions which have been under discussion by the people of the city since the closing down of the plant.

A number of questions were asked the gas company management by the reporter, the questions and answers following:

Q.—It is reported on the street that the Gas company wanted to close its plant, and didn't want to make an agreement with the city. What is the real reason for closing the plant?

A.—The real and only reason for the Gas company closing its plant, is that for more than two years the Gas company has operated its plant in Beatrice at a loss, and for the last four months, the earnings of the company have not been sufficient to pay operating expenses without any regard to depreciation, or interest on the money invested.

Q.—What has brought about this condition of affairs?

A.—The war. As a result of the war the price of everything has greatly increased. There is no prospect of any decrease in prices until after the war is ended. At present there is no immediate prospect of the war ending. The Gas company, therefore had nothing to look forward to except bankruptcy, unless the city council would give it increased rates during this war period, as has been done in hundreds of cities throughout the United States. The railroads found themselves in the same condition and nothing saved them, except they were taken over by the government and freight rates increased 25 per cent, passenger rates increased 50 per cent. The Gas company would be glad to operate its plant if it can do so without loss. It can no more afford to furnish gas to the people of Beatrice at a loss, than the merchants of Beatrice can afford to sell merchandise at a loss.

Q.—It is said on the streets that the Gas company made no effort to arrive at a settlement with the city council.

A.—This is untrue. The Gas company made every effort to settle the question. It was and is, willing to do anything that is fair if the city council will give it a rate that will enable it to operate its plant without losing money.

Q.—If it is said that the Gas company was not willing to return the money collected on the 20 per cent temporary increase proposed, if it was found that the increase was not justified.

June 14, 1918
Daily Express

A.—That is wrong. The Gas company agreed that the city should select an auditor to examine its books, and that the Fuel Administrator should select an engineer to appraise its property, and if the auditor and the engineer reported to the city that the 20 per cent increase was not justified, the money would be returned to the consumers.

Q.—What was the trouble then?

A.—The trouble was that the city council would not agree to this provision. The council insisted that the Gas company must return the 20 per cent temporary increase whenever the council asked for its return without any regard to whether the auditor and engineer found that the Gas company was entitled to the increase or not. This put the matter in the situation where the city council was agreeing to grant a 20 per cent temporary increase for 90 days and asking the Gas company to return this money whenever the council demanded it. One member of the Council had, a few minutes before the meeting adjourned, stated that the city council would fix a rate sufficient to pay operating expenses only, and the attorney of the council had stated that the council would not increase the rates. In addition to this, the council recently employed an attorney to press the suit in the United States court to compel a reduction in present rates instead of an increase. Under these circumstances for the Gas company to agree to continue to operate its plant on a temporary increase in rates which it had no reason to believe the council would make permanent and which the council had practically said they would compel the Gas company to return to the consumers, would result only in the Gas company operating the plant for 90 days more at a great loss and then being compelled to close it down. These are the exact facts.

Every fair minded citizen knows that a price for anything that was just or reasonable five years ago, is insufficient now.

The Gas company has been selling gas in 1918 at the same price it received in 1911, although the expense of manufacturing gas and carrying on the business has been multiplied several times.

There isn't a business man in Beatrice who could escape bankruptcy if he was compelled to sell his product on the prices of 1911 and buy his goods and pay his expenses on the prices of 1918. Yet, this is what the council is asking the Gas company to do, and this is what the Gas company cannot do.

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June 14, 1918
Daily Express

CITY COMMISSIONERS AND GAS COMPANY MANAGEMENT ENTER INTO AGREEMENT

**As Result of Conference Held This Morning, Commissioners
Meet To Consider Temporary Ordinance—Plant
Will Probably Open Sunday Morning**

As a result of a conference held between the management of the gas company and the city commissioners this morning, an agreement was entered into which will undoubtedly lead to the re-opening of the gas plant Sunday morning at 10:30 o'clock.

The agreement entered into between the gas company and the commissioners is virtually the same one under consideration at the meeting held with State Fuel

Administrator John L. Kennedy Wednesday evening.

The commissioners are in session as the Daily Express goes to press considering a resolution and temporary ordinance which provides for a twenty per cent increase of gas rates up to October 1, during which time an audit of the books of the company will be made and a physical valuation of the company's plant is to be made by a government representative.

*June 15, 1918
Daily Express*

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*June 15, 1918
Daily Express*

TEMPORARY INCREASE IN RATES GRANTED AND GAS PLANT RE-OPENS

Gas

Beatrice gas consumers are again enjoying the luxury of cooking with gas, the city commissioners and the gas company management coming to an agreement Saturday evening which resulted in the re-opening of the gas plant Sunday morning at 10:30 o'clock.

Following the signing of the agreement Saturday under the terms of which the gas company has been granted a temporary increase of rates of twenty per cent dating from June 1, several conferences were necessary before the details of the settlement were finally closed up.

Matters were at the breaking stage at various times during the afternoon, the point at issue being whether or not an ordinance was required to make the temporary increase legal. The point was first raised by Mayor Heffelfinger and was insisted upon by Commissioner Wallace Weigel, attorneys for the gas company asserting that in order to legalize the agreement for the temporary increase, an ordinance must be passed.

The commissioners were of the opinion that the passage of such an ordinance might jeopardize the rights of the city in the courts and refused to pass the same. Unable to come to an agreement in the afternoon, an adjournment was taken until 7 o'clock Saturday night, when several attorneys met with the commissioners, and a decision was finally reached that a resolution would fill all requirements.

The resolution was passed, and the gas plant was re-opened Sunday morning at 10:30 o'clock, bringing to a close a condition which has resulted in much inconvenience, expense and trouble for the gas consumers of the city of Beatrice.

The Resolutions

The resolution adopted was as follows:

"Be it resolved by the mayor and

city council of the city of Beatrice, Nebr., that the proposition this day submitted to the city by the Gage County Gas, Light & Power company, which has been filed with the clerk and read at this meeting, be; and the same is, accepted and ordered to be made part of the minutes of this meeting, and

"Be it further resolved that we hereby agree and request that Federal Fuel Administrator Garfield, at his earliest convenience, select and send to this city, a competent and disinterested engineer to appraise the value of the plant and property of the said gas company, as per agreement entered into this 15th day of June 1918 between the Gage County Gas, Light & Power company and the city council of Beatrice.

"Be it further resolved that the city clerk is hereby instructed to forward a copy of this resolution to John L. Kennedy, federal fuel administrator of the state of Nebraska.

"And be it further resolved that the gas rates to be charged by the Gage County Gas, Light & Power company, its successors and assigns be temporarily fixed for the time from June 1, 1918 to October 1, 1918 as follows: \$1.62 per thousand cubic feet thereof, with a discount of 5 cents per thousand cubic feet to any and all consumers using less than 3,000 cubic feet, if paid within fifteen days from the date of rendering bill for same, and a discount of 10 cents per thousand cubic feet to any and all consumers using 3,000 cubic feet or more, if paid within 15 days from the date of rendering a bill for same, and the rates are hereby so temporarily fixed for said period.

Passed and approved this 15th day of June, 1918.

R. C. HEFFELFINGER,

Mayor.

June 17, 1918
Daily Express

TEMPORARY INCREASE IN RATES GRANTED AND GAS PLANT RE-OPENS

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Passed and approved this 15th day of June, 1918.

R. C. HEFFELFINGER,

Mayor.

June 17, 1918
Daily Express

SHOWDOWN IN CITY GAS FIGHT

COMMISSIONERS' RESOLUTION
AYS PAY TAX OR FORFEIT
FRANCHISE

CLAIM \$2,000 DUE CITY

1918-1919 Occupation Levies Bone
Contention in Present Spirited
Controversy.

Resolutions which were adopted by the council yesterday call for a showdown in the tax controversy with the gas company.

The resolutions, which were introduced by Mayor Heffelfinger and adopted unanimously, set forth that unless the corporation pays its 1918-19 occupation taxes by February 20, its franchise will be revoked. The company has refused to square up or make any report relative to the taxes for a period of two years. It is asserted. The amount involved is approximately \$2,000.

Counter Claim

As stated some time ago, Manager Rice contends that the city is indebted to the company for expenses involved in lowering the mains after various streets were graded. He holds that when the grading made it necessary to lower the mains below the frostline, the city should have met one half the expense. Up to the present the company has not completed a tabulation of the expense items.

City Attorney Bourne submitted a draft of the ordinance which extends the fire limits to include the south half of Freeman's sub-division and the north half of block 60 and it was passed. The district takes in the Floyd taxi barn, the Gashaw produce store and other buildings in the Eighth and Coul streets vicinity.

Feb 11, 1920
Daily Sun

GAS COMPANY FILES \$2,400 COUNTER CLAIM

ANOTHER CHAPTER IN CONTRO-
VERSY OVER NON-PAY-
MENT OF TAXES

COUNCIL IS STANDING PAT

Maintain Corporation Must Pay or
Lose Franchise—Rice Pre-
sents His Side.

Intimations that the city and gas company are scheduled for a fight over the tax question were shown to be well founded yesterday morning when Manager Thos. Rice presented a counter claim of \$2,400.

As stated previously, the commissioner demand the payment of occupation taxes which are overdue to the amount of \$2,000. The company, according to the council, has ignored the levies for two years and continues to refuse payment. A resolution recently adopted by the commissioners specifically charged that the taxes are in arrears for 1918 and 1919. It was also set forth that the franchise would be forfeited unless the company squared up by Feb. 20. Chief of Police Dilow was instructed by Mayor Heffelfinger to serve notice to this effect.

Lowered Mains

Following the council's action, Manager Rice stated that the city's demands would be met by a counter claim covering the expenses incurred by the corporation in lowering various mains. The pipes were lowered below the frost line, he said, when the city graded the streets. The city should have stood the expense, he stated, with the company, according to the manager, who stated that it had not been done.

The corporation's counter claim covers work which is claimed to have been done in recent years. The commissioners are "standing pat" on the question, which is to be taken up next Tuesday.

Feb 18, 1920

GAS COMPANY SAYS COUNCIL EXCEEDS POWER

Manager Rice Serves Notice Demand For Occupation Tax Will Be Passed Up

Manager Thos. Rice of the gas company yesterday served notice at the city hall that the council is not empowered to revoke the franchise without recourse to the courts. As stated by the Sun yesterday, the manager filed a claim for \$2,400 for expense in lowering mains in answer to the council's demand for payment of occupation taxes. The taxes total \$2,000 and the council has served notice that the franchise will be revoked if payment is not made by Feb. 20.

Service to Continue

It does not seem that the company's service to its consumers will be interrupted, at least this seems improbable at this time. Mayor Heffelfinger stated that the matter would be considered at the session Tuesday and that the company's claim would probably be tabled for further investigation. In the meantime the tax question will also be carried over for the time being.

In filing yesterday's notice, the manager declared that any action in regard to revoking the franchise would be ignored because the council would exceed its powers. Rinaaker, Kidd & Delehant, Beatrice, and Geo. A. Lee, Omaha, are attorneys for the corporation.

Feb 19, 1920
Daily Sun

Gas

WILL ASK RECEIVER FOR GAS COMPANY

Representative of Bondholders Indicates Early Action in Federal Court.

Reiterating his earlier statements H. E. Foster, representing eastern bondholders of the gas company, told the city commissioners yesterday that application will soon be made for receiver. Mr. Foster, who is a Lincoln attorney, held another conference with Mayor Heffelfinger and Commissioners Weigel and Judd during the day. He indicated that proceedings would soon be started in federal court.

The company has defaulted the 1919 interest on a \$106,000 bond issue.

To File Claim

City Attorney W. S. Bourne, acting on instructions from the council, will file the city's \$2,000 occupation tax claim after the receivership is applied for by the bondholders.

No action has been taken by the council on the company's \$2,400 counter claim which was recently submitted by Manager Thos. Rice. The city owes this amount, Mr. Rice contends, because of expenses incurred in lowering mains when different streets were graded.

March 6, 1920
Daily Sun

Gas

COUNCIL REOPENS GAS CONTROVERSY

CITY ATTORNEY BOURNE IS IN-
STRUCTED TO START COL-
LECTION PROCEEDINGS

NEW OFFICIALS SOON BUSY

Commissioners-Elect Will Be on Job
Monday—Much Business Is on
Slate.

Meeting yesterday for their regular session, the city commissioners reopened the controversy with the gas company by instructing City Attorney W. S. Bourne to push the claim for unpaid occupation taxes. Mr. Bourne was authorized to start proceedings at once, though it was not stipulated that he should carry the fight into court. Early developments will probably decide whether or not litigation is to follow.

The commissioners some time ago demanded the payment of 1918-19 taxes aggregating \$2,000. Manager Thos. Rice thereafter submitted a \$2,400 counter claim for expenses incurred in lowering mains in recent years. He contended that the city should have met half of the expense, under the terms of the franchise, but the bondholders entered the fight and the tax question was shelved pending a possible adjustment. Eastern interests own the bonds, upon which interest payments have been defaulted. There were intimations of a receivership, but nothing developed, and this is the reason the commissioners gave yesterday for renewing the controversy. The bond issue totals \$106,000.

April 14, 1920
Daily Sun

Gas Electric

—The building now occupied by the gas and electric offices, purchased some time ago by Goble, the meat market man, is to be remodeled, it was announced yesterday. The work will begin as soon as the gas and electric officers are moved elsewhere. Goble will occupy the place with his market when the place is completed.

Dec 8, 1922
Daily Sun

COMPANY ASKS CITY TO AGREE TO LET INJUNCTION STICK

INCREASED CONSUMPTION OF
GAS REQUIRES LARGER
HOLDER CAPACITY.

MUST TRY OR DISMISS THE CASE

Federal Court Wants Case Off Doc-
ket—Has Been Hanging Fire
For Dozen Years.

Needed improvements at the gas plant here have been delayed pending disposal of a lawsuit between the city and the gas company which has been pending a dozen years. The increase in the consumption of gas to supply the needs of Beatrice residents has made it necessary to add a new holder at the plant and an order for this equipment is being held up until the old and all but forgotten litigation is disposed of.

The history of the case goes back to 1911. In that year, the city council after having granted an increase in gas rates, passed an ordinance reducing rates. Holding that the reduction would amount to confiscation of its property, the gas company enjoined the enforcement of the ordinance in the federal court, gave bond and thereupon and thereafter established a gas rate which the company held was compensatory.

The city employed Professor Sciple to make an appraisal of the gas plant and suggest a schedule of rates and company was then charging. The city never pressed the action and the temporary injunction has since stood. The case slumbered in federal court.

In June 1918, the city granted an increase in rates. If it should be shown that during those years from 1911 to 1918, while the injunction was in force, the company was not entitled to the injunction against the rate ordinance, the company might be called upon to pay back the excess which it collected from its consumers over the rates established by the enjoined ordinance. For that reason the company, by its general counsel, George A. Lee, who was in the city yesterday, asks that the city now agree to a stipulation for dismissal of the case. Otherwise it will be tried at more or less cost to both the city and the company. Mr. Lee presented the matter to the city commissioners but no action has yet been taken.

In July, 1920, the city granted a rate increase above the 1918 schedule, thereby again acknowledging, as the company contends, that the enjoined ordinance rates were inadequate.

"Under a rule of the department of justice," said Mr. Lee, "actions not tried within five years must be dismissed. Upon order of Judge Munger to show cause why the 1911 injunction should not be dismissed, the company appeared and informed Judge Munger that a summary dismissal would be legally equivalent to the case never having been started, and if the 1911 temporary restraining order would be dismissed, technically there would be or might be a contingent liability against the company representing the difference between the 1911 ordinance rates and the rates actually charged up to the time the city granted an increase. The court suggested that, since it was all water over the dam and an ancient controversy, that the city might consent to a stipulation that a permanent decree be entered in the case thereby giving finality to the litigation. It is this stipulation that the company now asks the city commissioners to authorize."

The matter was considered by the city commissioners yesterday and they instructed City Attorney Dutton to present to them a history of the case.

March 7, 1923
Daily Sun

AS COMPANY OFFICIALS MEET

DISCUSS QUESTION OF OLD IN-
JUNCTION DISMISSAL AND
AGREEMENT

WOULD ABANDON THE CITY SERVICE

Officials of the gas and electric company conferred with the city commissioners yesterday relative to dismissing the old rate injunction proceedings which have hung fire since 1911. Manager Brooks of the company's gas department at Omaha, Geo. A. Lee, general counsel, and Manager B. H. Conlee of the Beatrice office met with Mayor Farlow and Commissioners High and Ellis and went over the ground covered by an earlier review appearing in these columns.

The company in 1911, during the Griffin administration, secured the court order enjoining the city from enforcing a \$1.25 rate. In 1922 and again during the present administration the company was granted increases to meet rising costs of production. The injunction, when issued, prevented the city from enforcing the \$1.25 rate as provided by an ordinance passed during the Griffin regime. It is still in effect and its dismissal offers an element of uncertainty where the company is concerned. If the injunction is dismissed without an agreement it is possible—though perhaps not probable—that it might be asked to pay back the amount represented by the difference between

if it should be shown later that the company was not entitled to the injunction against the rate ordinance, it might be asked to pay back the excess which it collected over the rates fixed by the enjoined ordinance up to the time the 1918 increase was granted.

If the injunction is dismissed without an agreement covering this point, it is possible—though it hardly seems probable—that a controversy might arise over the matter. The company therefore asks for a stipulation covering this point.

No action was taken by the commissioners. Action was also deferred on a proposal from the company that it furnish the city the lighting service now given by the municipal plant.

In connection with the proposed settlement of the injunction matter, the officials stated yesterday that the corporation does not wish to expend from \$45,000 to \$50,000 in the installation of a new "holder" and other equipment for its local plant until it is assured of protection.

March 15, 1923

COMPANY ANNOUNCES NEW SCHEDULE GAS AND CURRENT RATES

UTILITY MAKES REDUCTIONS
FOR ITS SERVICES EFFECTIVE
MAY 1

IMPROVEMENTS AT GAS PLANT

Will Spend \$10,000 for New Holder
Capacity and Gas Making
Equipment

Consumers of gas and electricity in Beatrice are to have lower rates, according to announcement made yesterday by F. H. Brooks, of Omaha, general manager of the Nebraska Gas and Electric company, owners of the local utilities, at the city hall. The new rates are to go into effect May 1.

The electric rates now charged range from 12 cents down to 6 cents, and the new rates will run from 10 cents down to 5 cents. The minimum of 50 cents is unchanged.

The gas rates are on a sliding scale based on consumption within a month, ranging from \$1.90 to \$1.35 per thousand cubic feet with the same minimum as at present, 50 cents. The present rate is \$1.90 per thousand cubic feet.

Following are the new electric rates:

First 50 KWH used per month, 10c per KWH.

Next 50 KWH used per month, 9c per KWH.

Next 50 KWH used per month, 8c per KWH.

Next 50 KWH used per month, 7c per KWH.

Next 500 KWH used per month, 6c per KWH.

Next 500 KWH used, per month, 5c per KWH.

All over 1,000 KWH used per month, 4c per KWH.

Minimum bill, 50c.

The old electric rates are:

First 25 KWH used in month, 12c per KWH.

Next 25 KWH used in month, 11c per KWH.

Next 25 KWH used in month, 10c per KWH.

Over 100 KWH used in month, 6c per KWH.

Minimum bill, 50c.

The new schedule of gas rates is:
per 1,000
cubic feet:

First 2000 cu ft used per mo. \$1.90
Next 3,000 cu ft used per mo. \$1.85
Next 5,000 cu ft used per mo. \$1.65
Over 10,000 cu ft used per mo. \$1.35
Minimum bill .50

Mr. Brooks explained that these reductions are made in gas rates despite the fact that raw material prices for coke and coal have recently advanced, and indications point to a higher level of prices permanently. People have got into the habit of using gas and it should be possible to increase consumption. In the past three years there has been a marked increase in the quantity of gas made and sold in Beatrice. The increase has brought the utility up to the point where it must have additional manufacturing and holder capacity in order to meet the demand. The additional holder for 100,000 cubic feet capacity and the new equipment for making and purifying the gas will cost in the neighborhood of \$50,000, Mr. Brooks said.

The gas and electric rate questions have been under consideration for some time. The company had asked that the city agree to stipulation for the dismissal of an injunction which has been in force for a dozen years, but this matter is still unsettled. The officers of the company consider the contingent liability so remote that they can safely go ahead with the improvements to increase their plant capacity, which will be done at once.

April 17, 1923
Daily Sun

✓ Gas
Electricity

Gas
Electric

CONLEE RETIRES AS GAS AND ELECTRIC MANAGER

Will Engage in Oil Business—Ed.
Schmid of Missouri Valley
Takes Charge Here

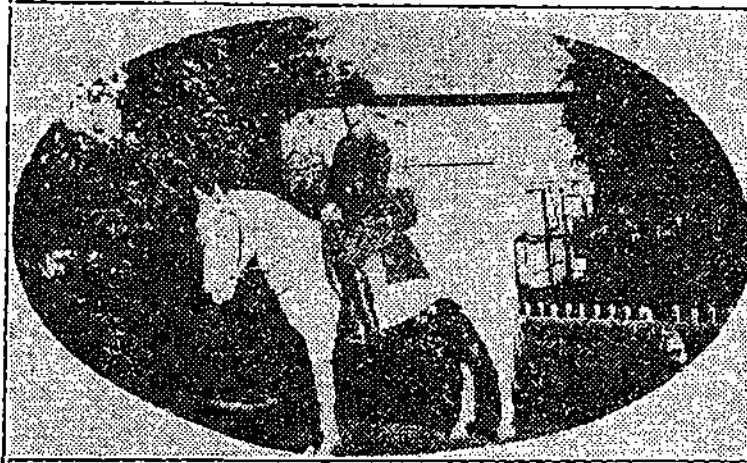
B. H. Conlee, local manager of the Nebraska Gas & Electric company, has resigned his position and will engage in the gasoline and oil business as soon as the building he is erecting at Eighth and Court streets is completed.

Ed. Schmid, formerly manager for the company at Missouri Valley, has been assigned to the post of local manager of the gas and electric properties here and will take charge at once. Mr. Schmid is a graduate of the University of Nebraska, an electrical engineer, and has been with the company for nearly ten years. He comes highly recommended as a capable public utility executive as well as a technical expert.

Mr. Conlee has been connected with the local electric plant since March, 1912. The property has been under several ownerships in that period. Several years ago the gas and electric companies were consolidated under one management and Mr. Conlee has been in charge. With no previous experience in public utility operation, Mr. Conlee took hold of the properties here, mastered the details and managed them with marked ability and greatly increased the company's volume of business. He has been considering for some time engaging in the oil and gasoline business and tendered his resignation to the public utility. He will remain with the company in an advisory capacity until the middle of August, by which time his building will be completed.

July 11, 1923
Daily Sun

Lindentree — Arabian Horse



Probably the most unique enterprize in the history of Beatrice was that of breeding Arabian horses. The late L. W. Colby was the owner of this fine sire, Lindentree, back in 1889. By 1893 many Beatrice residents were boasting of Arabian steeds in their stables. Lindentree and his mount, Louis Riesen, is shown here.

Gas Lights of Gay Nineties Gave Way to Electricity As Progress Brought It's Changes

Boys and girls, sometime when you are rummaging around some of our older downtown buildings, examine the ceilings and sidewalls. You will probably find a pipe or a more or less ornamental jet here and there. They are relics of your granddad's day—of those far away years when gas was a "modern" lighting material.

Back in the gay 90's folks turned on the gas and lighted it with a match. Cast iron standards at intervals along the streets were also topped with gas lights. In the homes folks who still had ornate

lamp chandeliers used kerosene, but gas was as far ahead of them as they were ahead of candles.

The gas was artificial. Today thousands of miles of pipelines carry natural gas from Kansas, Oklahoma and Texas fields across Gage county. It is now used for fighting but provides fuel for heating and cooking.

Then Came Electricity
Electricity ended the gas lighting era and also brought other changes which would have astounded our grandfathers and grandmothers.

The magic of turning on switch and having light and energy at our command would have been beyond their comprehension. So, too, would have been the utilization of "juice" created in batteries. And what would they have said about electrically driven factory machinery and the electric washing machines, vacuum cleaners, ranges, refrigerators and other things in the house of today?

The Iowa-Nebraska Light Power company now taps vast pools of electricity created from Beatrice. The Gage County Electric company creates current at its Blue river power plant southeast of Beatrice and Blue Springs. The Blue is not utilized more than any other mid-western stream of similar size for hydro-electric plants.

MITTAN CAME IN 1868

Isaac B. Mittan, who was 8 years old the fourth day of March last, has lived continuously in Gage county for 64 years. His father, Daniel C. Mittan, came to Nebraska from Lee county, Illinois, crossing the Missouri river at Brownville on May 1, 1868, when Isaac was 17 years old. The older Mittan preempted a homestead a mile east of the present village of Holmesville. His farm consisted of 160 acres, and Isaac B. Mittan now resides on an eighty-acre tract of the original homestead, which has never been out of the family possession. He drives a car and is in rugged health.

At and Across Knees

Much has been said about the lessons learned at mothers' knees, but for deep-seated impressions those learned across those same knees should not be denied their relative importance.—Fort Worth Record-Telegram.

For 41 Years We Have Watched Beatrice Grow!

Emery, deputy treasurer; N. Heron, sheriff; Barnett, deputy sheriff; J. E. Cobby, county judge; Willis Knight, surveyor, and M. Weaverling, superintendent of schools.

City Officers—S. S. Switzer, mayor; C. M. Talley, George Metzger, Al Halliday and S. P. Lester, councilmen; E. M. Hill, police judge; H. G. Candee, justice of the peace, and James Marsh, marshal and street commissioner.

Millers—Black Bros. These men came from Polo, Ill., and during the last days of 1879 finished building the mill, at a cost of \$21,000, to which \$2,000 in improvements were added in 1881. Adjoining the mill they had a \$3,000 elevator.

Newspapers—The Express, by M. A. Brown; the Gage County Democrat, by G. P. Marvin, and the Courier, by Babcock. The reader had recently sunk. Besides the three newspaper offices there was a firm of job printers—Scott & Scott.

There seemed to be two banks—the First National and William Lamb's banking house.

FARMERS COMPLAINED OF SHORT WEIGHTS

Some persons say there was more dishonesty in the old days—more double dealing and smooth talkery than there is now. Others say for the plain spoken, honest ways of old, when men wouldn't think of defrauding a neighbor. It is probable that there were then, now, men who lived by their wits and men who lived by honest toil. When we think of the men jumping, gambling and every kind of men who come west in the early days we are apt to believe that all the immigrants were grafters and crooks, and now we think of the simple, right-forward folks who settled here when the state was new we are apt to think everybody was of nature's gentlemen. Forty years ago there were complaints of deceitful practices in town, and a farmer writing to one of the newspapers said: "It is the general impression a farmer is liable to be cheated by short weights when he sells stock or grain, that the majority of buyers need watching and then they will beat you; that there are honorable exceptions I am led to admit, but there might be good many more than they

OIL AND GAS PROBLEM

N. Farlow Makes Known the Proposition Submitted to People of Beatrice and Vicinity

The following letter written for this paper by W. N. Farlow on the oil and gas problem will be found interesting reading by residents of this city and vicinity:

While we are talking good roads, holding farmers' institutes and endeavoring to devise ways and means whereby we may benefit ourselves individually and the community collectively, I think it an opportune time to make known a proposition that has been submitted to the people of Beatrice and vicinity, and which, if acted upon and secured at once, will, in my opinion, bring greater reward to our people and especially to the freeholders in the vicinity of Beatrice than anything that has yet been suggested.

I have not the time nor space here to mention all the details leading up to this proposition, but will state that during the past summer Mr. A. J. Butler of this city and myself secured the services of an old miner and oil expert of Boulder, Colo., and thoroughly prospected the country around Beatrice for several miles. He expressed himself as being thoroughly satisfied with the prospects for both oil and gas, and said that he would at once bring the matter to the attention of the capitalists with whom he was then engaged.

He did so with the result that we now have a proposition from them to furnish all the money needed to develop this field if we will secure leases on the land in the vicinity of this city, so that they may have sufficient territory and control of the field, in case they find valuable products to justify the expenditure of such sums as they think may be necessary to develop a new field like this. At the same time they offer the farmer or owner of the land a good royalty free of all expense to him, and ask nothing unreasonable, as

they do not ask one cent from any person, but on the contrary offer the owners of the land one-tenth part of everything produced of value, free of any cost to him whatever. As a precautionary measure I shall take the lease in my own name to be held by me until they have their machinery on the ground.

They have written us that they will be ready to begin operations as soon as we secure the leases, or at least not later than early spring.

Now let us get busy. The papers of this city have had something to say in regard to this matter and have wisely urged us to do something, and we are now ready to take the leases, a copy of which may be seen at any of the banks in this city. Now, if the farmers will call in at one of the banks when in town and execute these leases, it will expedite this matter and save considerable trouble and expense; and as they will receive more direct benefit if we are successful than any one else, I trust that they will render all the assistance possible.

When we consider what oil and gas have done for other localities where the need of them was nothing nearly so great as it is here, we can imagine what they would do for us if found in paying quantities. A trial for them is certainly worth our united effort.

Let us get busy.

*Jan 4, 1906
Gage City Democrat*

NEW GAS AND ELECTRIC PLANT FOR BEATRICE

Local Capitalists Plan to Install New Lighting Plant-- Seek Right to Use Streets From City Council---Will Mean Expenditure of Large Sums.

Last evening at the regular meeting of the city council the application for franchise from the A. S. Maxwell Gas and Electric company was read.

The company is formed by A. S. Maxwell and other influential parties in this city, and will manufacture and sell gas and electricity in this city under a twenty-year franchise.

The proposed franchise provides for the erection of a large gas manufactory in a centrally located part of the city and will be in connection with a large electric light and power plant which will also be erected. The company will furnish light, heat and power at lower rates than ever before offered in this city, and will be controlled by local capital.

Mr. Maxwell said that the controlling interest would be held by local people, and preferred, if possible, to sell all the stock locally.

If the franchise is secured work will be started immediately and sixteen miles of gas pipe will be laid. A large gas holder, with a capacity of 100,000 cubic feet, 65 feet in diameter and 45 feet high, will be installed.

Building operations will be rushed and it is expected to have the complete plant installed and all pipe laid in nine months, or as soon as winter business opens up.

Mr. Sage of the license committee stated that a remonstrance had been filed against the application of Louis D. Kasserian to operate a saloon on North Sixth street. The

application was referred back to the council and mayor from the committee and a special meeting was called for Friday when the remonstrance will be heard.

The druggists permits of J. W. Buswell, H. L. Harper and Jackson & Co., were passed on and granted.

The street committee reported that they had found the tile bridge near the corner of Tenth and Doane streets to be too small to carry the large amount of water that would pass through it after a rain and recommended that a bridge eighteen feet wide and four feet long be built. So ordered.

The committee reported unfavorably on the matter of constructing a new bridge between Twenty-fourth and Twenty-fifth streets on Market. They stated that they had visited the place and found that it would be too great an expenditure for the city as it was used mostly by one family. Street Commissioner Stewart advised against it and so the report of the committee was accepted.

ROAD DRAGGING.

Street Commissioner Stewart was complemented on his use of the King road drag, the committee finding that where it had been used the streets had been left hard and smooth, and that all holes had been filled up. Upon vote of the council it was recommended that Mr. Stewart let the good work go on.

The bids for the construction of the sidewalks were opened and read. The bid of Rutherford & Lee was found to be the lowest

and was up for passage when the question of how thick the cement walks should be, was raised. The bid did not state the thickness of these walks and it was thought best to hold the bid over until the next meeting and for the city attorney to render his decision at the next regular meeting.

R. A. Phelps, of South Beatrice, stated that an overflow sewer pipe from the hospital of Dr. Heppelen was apt to cause sickness and thought it was a nuisance and asked the council to take steps to curb the overflow. Mr. Phelps said that the sewerage flowed on his property and he was afraid contagion might result. Referred to police and health committee.

Anderson reported that bids had been received for the painting of the city hall, and that the bid of Moody and Wiecker was the lowest. The bid calls for the painting of the woodwork and all brick, the latter to be the Milwaukee brick color. McCall objected to the cost although he said the bid was low enough, he thought the city hall was not worth painting, especially of the expensive Milwaukee color, and thought that the regulation red brick color would be the best. Other members of the council thought that a change in the outward appearance of the city building would be the best and on motion the report of the committee was adopted.

THOSE ARC LIGHTS.

Anderson of the street lights committee recommended that the city take steps toward the re-instating of the two electric arc lights near the court house. Last winter the board of supervisors took the matter into their own hands and ordered the discontinuing of the lights, much to the discomfort of the north-end residents. It was finally decided that the street lights committee accompanied by the mayor should appear before the board and to try to impress on the county board that the county owned these lights instead of the city.

The eight page typewritten report of Dr. Lloyd Davis, the water

expert on the city's water supply, was read and placed on file for some future time the council might need the report in investigating our municipal supply. The expert was in favor of the filtering of the river water and stated that he would conduct the preliminary work for \$1,000 a month. The mayor thought this a little too steep and had written the expert to come down to his price. Dr. Davis answered in reply that he would do the work for \$25 a day and so prove to the city that the filtering of the Blue River was possible.

M M Horney, representing the carryall men, stated that he heard some Wymore parties intended to come to this city and take out a license for carryall work during Chautauqua. Mr. Horney did not think that the Beatrice carryall men should have to put up heavy competition on Sunday when they do the entire work during the week. He said that Beatrice carryall men were all property owners and tax-payers and thought that their rights should be protected. City Attorney Davis said he had been approached by the carryall men, who wanted an ordinance drafted to provide for the issuance of high licenses to outside parties, and to protect the home hackmen. On motion the matter was laid over until the next meeting in the hands of the city attorney.

The ordinance to amend section 4, ordinance 75, to provide for the extension of the city's cement sidewalk area south of Market street south of the river, was read first time.

TO BAN WOODEN WALKS.

The ordinance provides for the building of all sidewalks of stone, cement, brick or other hard substance to take the place of wood. This only applies when a new sidewalk is being constructed or repaired. Also, all dangerous sidewalks must be torn up and in place hard substance must be used.

B D Harkrader objected to the building of terraces on East Court street, near his place. He thought these adornments made his place look unsightly, and thereby, made the surrounding properties less valuable. The matter of terracing was brought up by Fred Cook, who petitioned the council a month ago to build a terrace in the front of his property on Court street

COUNCIL MEETS TO CONSIDER ORDINANCES

An ordinance regulating electric light companies, fixing the quality of that commodity, creating the office of electric inspector, naming the water commissioner ex-officio, and regulating the setting of poles, was read last evening at the special meeting of the city council. The inspector shall have supervision of the stringing of wires and he shall see that the proper precautions are taken to prevent fire or the loss of life. The ordinance also provides for penalties if the current is not up to quality.

Another ordinance was introduced regulating gas. This is about the same as the electric ordinance which also names the water commissioner as ex-officio. Both ordinances were long and full of details and were discussed by the council.

Mr. R. S. Bibb was present and stated that the council should go slow on the matter of making the ordinances a city law. He stated that they were elaborate, such as are seldom seen in the cities of this size. In speaking about the ordinances which would fix the rates for gas and electricity, Mr. Rinaker stated that these two companies now operating in this city were manufacturing these commodities at the lowest possible rate, considerably lower than is now being charged in Omaha. Also that the electric company was constantly improving its service in this city and he was of the opinion that the council should act slowly in so vital a matter.

The ordinance providing for the price of gas set the price of this commodity at first one thousand feet at \$1.25, more than that amount at \$1.00. This ordinance was adapted from the one now in force in Lincoln.

R. S. Bibb stated that he looked at the fixing of gas prices as a tax payer, and said that he was with the people in legislating for lower prices. At the same time he said

that if the price was fixed by the council to be lower than the companies could manufacture the commodity, it would be detrimental to the city instead of bettering it. He said that the high price of coal should also be taken into consideration and that every member of the council should understand thoroughly what they were going into before passing the bill.

On motion the matter was referred to the light committee, Councilman Anderson chairman. This committee will investigate the matter and report to the council.

Councilman Milburn stated that the question of grading near the Congregational church was a serious matter and asked that the council grant the street committee the services of City Engineer Pethoud for an expert opinion on the matter. Eighth street between High and Grant will have to be filled up. This will make the lots considerably lower than the street and will catch all the surface water. In order to eliminate this the property owners will probably be expected to grade up to the level. On motion City Engineer Pethoud was instructed to aid the committee on the matter.

A resolution for the construction of a sanitary sewer in blocks 80 and 81 from Ninth to Eleventh streets in the alley between Market and Bell streets, was read. This is a well populated part of the city and on motion the resolution was adopted and the city engineer was instructed to prepare a plat and profile of the proposed sewer dis-

tricts and the city attorney was instructed to create the new sewer district. Motion carried.

The license committee reported and recommended that they did not think it advisable to change the ordinance regulating the carryall license. Some of these licenses have already been paid and it was thought, should the ordinance be

changed it would conflict. The report was adopted, all voting in the affirmative except Jackson.

In regard to the payment of \$1,629.00 for the construction of the sewer in district No. 5 it was found that the sewer was all finished with the exception of the painting of a few iron railings and the leveling of a manhole. City Engineer Pethoud, however, refused to accept the sewer as finished until this small item of work was finished. This action consequently held off the payment of the money to the contractor, Mr. H. C. Gardner. Mr. Gardner was present and explained the situation to the council but a telephone call to the city engineer did not help matters. After a fifteen minute discussion the telephone rang again a call for the city engineer. He stated that he was willing to accept the sewer and advised a partial payment on same. This was thought to be a good idea but just as the motion was ready to be put City Attorney Davis stated that it would be an illegal proceeding and advised the council to wait until a written report of acceptances was received from Pethoud. The matter was finally disposed of by the council agreeing to sit in special session Thursday morning and the claim be allowed, providing the necessary report is filed.

City Engineer Pethoud reported that the sanitary sewer in block 25 was working smoothly and recommended that the 10 per cent hold back, amounting to \$22.50 be paid to the contractors, Barkhurst and Heckathorn. Motion prevailed.

Mar. 31, 1904
Daily Typewriter

GAS AND ELECTRIC FRANCHISE HELD UP

Passage of Maxwell Franchise Held Until Ordinance is Drafted to Fix Price of Commodity--Would Make One Dollar Maximum Rate.

Last evening at the regular meeting of the city council a report of the special light committee was read which recommends that the franchise of A. S. Maxwell and associates for a new gas and electric company, be laid over until an ordinance was drafted by City Attorney M. B. Davis which will regulate the prices of the heating, fuel and light commodity dispensed by companies in this city.

This decision is the result of the meeting of the committee with City Attorney Davis during the week. They were appointed by the council to carefully consider the franchise and report at the next regular meeting. The committee changed section 6, which provided that one per cent of the gross receipts of the company per year, be paid into the city treasury. This clause the committee changed to five per cent, not thinking one per cent was sufficient.

When the matter was brought up last evening Mr. Maxwell stated that he could hardly accept the five per cent clause, but should the franchise be granted and the five per cent clause go in, he asked that similar companies coming in in the future should be charged the same rate, or if low red that his rate should be made equitable with the new rate.

City Attorney Davis was of the opinion that when a higher rate was asked by the city, the price of gas and electricity would be advanced accordingly and that eventually

the citizens would be paying the five per cent rate. Mr. Maxwell stated that if this was the opinion he was willing to strike out clause 6 altogether and make the maximum rate for gas at \$1 per thousand, which is 25 cents lower than the present proposed rate. This was a fair proposition but did not seem to be appreciated by the members of the council. This would make it impossible for the consumers to pay the added five per cent rate.

By vote of the council it was decided to lay the matter over until the ordinance was drafted by the city attorney which would regulate the price of gas and electricity in this city.

Joe Martin asked permission to erect bill boards on Court street between Second and Third and on Ellis between First and Second. Mr. Martin was present and asked that he also be allowed to erect a board on the north side of Ellis street between Third and Fourth. Mayor Shultz was of the opinion that a bill board was needed in the latter place to cover the unsightly lot littered with tin cans and other debris. On motion the matter was referred to the street committee.

Gas
Electric

A communication from C. Baker was read stating that the exempt fireman certifications of himself and F. H. Myers had been destroyed in the burning of the Masonic Temple and asked that duplicate certificates be granted. On motion the prayer of the petition was granted.

Street Commissioner Peter Stewart stated to the council that as his horse and buggy were used by the members of the street committee to a large extent in the performance of their official duties, asked that he be allowed the sum of \$10 per month for the keeping of his horse from May to September. The opinion of the council was that as it would be an expense to the city to hire conveyances for the committee it would be a less expense to pay Mr. Stewart the amount prayed for in the petition. Granted.

Councilman Milburn stated that so many repairs would be made by the street commissioner this summer in the city paving he recommended that the city clerk be instructed to order another car of paving brick. So ordered.

The Grimes asked permission to erect a sheet iron shed in the rear of his premises at No. 321 Court street. As the proposed building would be in the fire limits of the city the matter was referred to the fire and water committee.

D. Hoover again came before the council with the petition asking that a culvert be built near Twenty-fifth and Market streets. A petition for the same bridge was brought before the council a month ago and referred to the street committee. The committee reported against the improvement and the matter dropped. The new petition, however, was signed by twenty residents of that section and a motion was made to again refer it to the street committee. To this action the committee kicked, stating that they had rendered a decision on the matter.

and thinking that further investigations would only incur an added expense to the city. The motion was amended to place the communication on file. Carried.

City Clerk Avey reported to the council that the payment of the warrant of \$125 to Water Expert Davis has been called to question and that the payment had been stopped by an appeal to the district court against the payment of same. On motion that report was placed on file. The notice of appeal by Attorney E. O. Kretzinger to the district court of the payment of the \$125 warrant to Expert Davis was read. The matter was discussed at some length and it was finally decided to in-

struct City Attorney M. B. Davis to appear in the interests of the warrant.

A petition was read from the members of the Baptist church stating that when the church was moved to the new location on the southwest corner of Sixth and Elk streets, the tower would project two feet over the city parking and asked permission to use this parking until other changes were made. The mayor thought the use of the parking would be against what the council has been working against all winter. The matter when put to a vote decided in favor of the Baptists, but the mayor reserved the right to veto it if he thought it against the ordinance of the city.

A druggist's permit was issued to W. B. Walters and the application of C. F. Shaffer was referred to the applicants as the lot and block number had not been included in the application.

A petition from eight hackmen and dray owners to amend the hack and dray ordinance of the city by repealing the provision requiring a fee to be paid for license, or by making such fee a nominal sum, was read. Referred to license committee.

The report of Water-Commissioner J. R. C. Field for the fiscal year ending April 30 was read. The total receipts for the year were \$7,831.69. Expenditures \$6,719.86. Repairs on the water works amounted to \$343.78. The report stated that the best care was being taken of the machinery and tools at the water works and commended the engineer on his thoroughness in the work. The report was adopted and placed on file.

Chairman Milburn of the street committee reported on the sidewalks that had been condemned over the city and recommended that the city take steps to repair and build these walks. Report adopted.

A few of the residents in block 81 and 82 were present and asked that the council take immediate action on the matter of extending the proposed sanitary sewer through that territory. Mayor Saultz stated that he was of the opinion that the construction of new sewers was a move in the right direction, but no action was taken on the matter.

An ordinance making the license fee to outside carryall men during the Chautauqua season \$25 was

read. This action is taken in behalf of the Beatrice carryall men, who have to put up with outside competition during this season and it is thought that a large license fee will tend to keep outsiders out of the Beatrice business.

The proposition from the county board of supervisors to maintain one of the lights at the court house providing the city would maintain the other was read, the committee recommending that the proposition be not accepted. The report was accepted and placed on file and the court house is still in the dark.

The bond of H. C. Gardner, the contractor who is to construct the new sewer in sewer district No. 6 was accepted and the mayor and city clerk instructed to enter into contract with Mr. Gardner for the construction of the work.

The bills of A. J. Pethoud for \$33 for work on sewer district No. 5 and for \$25 for work on sewer district No. 6 making a total of \$58 was read and warrants ordered drawn for same.

The meeting adjourned to meet next Friday evening in special session for the considering of the terrace and sidewalk ordinances.

Adjourned.

May 9, 1906
Daily Express

EATON GETS FRANCHISE

City Council in Open Session Passes
Amended Gas Franchise Without
a Bond of Any Kind.

From Sundays Daily Sun.

The city council met in special session last evening and after a lively discussion by lawyers of both sides granted a gas franchise to Charles Eaton. The ordinance passed last evening is similar to the one previously proposed with the exception of the requirement for a bond. Neither an indemnity nor forfeiture bond is required of the grantee.

All members of the council were present and Mayor Shultz presided. The clerk read the call for the meeting.

The ordinance granting the franchise to Charles Eaton was read. McColl remarked that he had understood that the franchise was to have a requirement for a bond. Milburn also said that that was his understanding of the matter. On motion of Harper the ordinance was placed upon its second reading and final passage.

Judge Hazlett who was present stated that he had come to the meeting as a tax-payer and not as the representative of any corporation or client. He protested against the granting of the franchise unless an indemnity bond be exacted, which would relieve the city of liability in case of damage to any person or property. He pointed out that the streets could be opened up under the franchise and that unless a bond were exacted, an injured party could not get relief from the gas company. He declared that if Mr. Eaton meant business he would be willing to give a bond for at least five thousand dollars.

Mr. Rinaker stated that he and Mr. Bibb were present merely as tax-payers and citizen. He stated that there was no precedent for requiring a bond in connection with the granting of a franchise for any public service corporation. The franchise is very favorable to

the city. The property of the company will be here as a pledge for the faithful performance by the company of the terms of the franchise.

Mr. Bibb declared an opportunity is at hand for the city to have considerable money expended here. Gas will be cheaper and the city will be benefitted in many ways. It would not be good policy for the council to impose unnecessary, extraordinary, and vexatious requirements upon the gas company which would tend to embarrass and hinder the work called for by the franchise.

Judge Hazlett read the bond clause from the first ordinance and demanded to know why such security was less necessary now than it was a few weeks ago.

Councilmen Parker and McColl stated that they had understood that a bond should be asked and given.

Judge Davis said that a forfeiture bond could not be secured, but an indemnity bond would be of some value to the city.

Young Mr. Eaton stated that his people were willing to come here if they are convinced that the people are enthusiastic for their coming. They cannot come to invest their money where there is an atmosphere of hostility. He wished to get the council's ultimatum at once.

On the roll call all the members voted in favor of the ordinance granting the franchise and it was carried.

Oct 11, 1906

Spec City Democrat

NEW GAS CO. WELL RECEIVED

During the past two days representatives of the new gas company have been making a canvass of the city. Their object in doing this, they state, is to discover where customers wish to use their product at once, so they may lay their mains through those sections of the city immediately.

That the people are glad to escape from the bondage of costly fuel and that they welcome the incoming enterprise is evidenced by the fact that already several hundred consumers have made application for gas.

The fact that gas of the finest quality can be obtained, which, taking it the year around, is cheaper and vastly more convenient for a range or small heater than coal, oil, or the dangerous gasoline, and which is the most inexpensive lighting to be had, assures for the new company a place in nearly every home in Beatrice.

Oct 18, 1906

Sparg City Democrat

TO IMPROVE GAS PLANT

The Eaton Gas company is soliciting contracts to furnish gas to Beatrice consumers. The price stipulated in these contracts is \$1.25 per thousand or the maximum permitted by the Eaton franchise. When the Eaton people commenced agitation for their proposition they asserted that gas could profitably be furnished for 85 cents per thousand. The bondholders of the old company were planning much needed improvements in their facilities at that time.

As the Eaton campaign for a franchise progressed the bondholders of the old company continued their work of getting their plant into shape to handle all the business they could get. It was their understanding that the new company, if it secured a franchise, would offer gas for the price they quoted to the commercial club, 85 cents.

In the face of this promise of very cheap gas, the City Gas company has continued to make its improvements. Mr. Reisen, manager of the company, yesterday received a telegram stating that machinery ordered some time ago had been shipped.

Oct 18, 1906

Sage City Democrat

ARE AT WORK

GAS COMPANY STRING-
ING MAINS.

NEW OFFICE AT 114 NORTH FIFTH STREET

CONSTRUCT TOOL HOUSE
AND CLEAR GROUNDS.

STEAM DITCHER IS NOT HERE YET

Work on Digging of Trenches,
Laying of Pipes, Etc.,
to Be Pushed.

The Beatrice Gas company have rented the rooms at 114 North Fifth street, formerly occupied by Graham's hardware store, and a force of men was put to work yesterday getting the place in shape for occupancy. E. H. North has the contract for the carpenter work and Arnold Bros. will furnish and install the office fixtures, which are strictly modern and up-to-date.

Both the basement and first floor will be occupied by this company and they expect to take possession inside of twelve days.

Work on the new gas plant will begin immediately. The tool house has been constructed, the grounds cleared and everything is now in readiness for the masons to start the foundation.

This afternoon teams were stringing eight and ten inch mains along Court street. The steam ditcher has not yet arrived, but quick work will be made of the laying of the mains when it does.

Mr. Eaton informs THE EXPRESS that the work of digging trenches, laying mains, connecting house pipes and constructing the three buildings for the plant will be pushed at once. Tools and material are arriving daily and everything points to a speedy completion and operation of this new gas plant.

Oct 23, 1906
Daily Express

STILL ARRIVING

NEW GAS COMPANY RE-
CEIVE MACHINERY.

WORK TO BEGIN SOON ON CISTERN

DIRT TO BE THROWN BY
TUESDAY NEXT.

OFFICE ABOUT READY FOR OCCUPANCY

Mayor Signs Ordinance For-
merly Vacating Front
Street.

The work on the new gas company's plant is being pushed as rapidly as the force of men now employed can rush things along.

The steam hoisting apparatus and derrick used in the digging of a cistern, arrived this morning and ten men were at once placed to work unloading and getting this machine in order. The manager expects to start throwing dirt by Tuesday morning.

The cistern will be twenty-four feet deep and sixty-four and one-eighth inches in diameter and will be built of concrete.

The new office in the Masonic Temple building on North Fifth street is about ready for the furniture. With the signing today by the mayor of the ordinance and resolution passed by the city council at its meeting last Tuesday night, all obstacles in the way of a speedy completion of the new plant, are removed.

Just when the new company will be able to commence service to our people can not, as yet, be stated, but Beatricians may be assured that neither pains nor expense will be spared to finish the plant, connect the service pipes and give them an up-to-date gas plant.

Oct 27, 1906

THROWING DIRT

WORK ON NEW GAS PLANT
BEGUN.

WILL BE PUSHED FROM NOW ON

WERE DELAYED IN SE-
CURING LEASE.

EVERYTHING IN SATISFACTORY SHAPE

Can Use Many Able Bodied
Men in Construction
Work.

Workmen began work on the new gas plant this morning.

For some time operations along this line have been at a standstill, owing to the fact that there was a hitch in securing the lease to the Burlington right-of-way on which the gas company's new buildings are to be erected.

Yesterday the general superintendent of the Burlington arrived in the city and the matter was arranged satisfactory to both the railroad officials and the managers of the gas company.

The firms having the contracts for erecting the new buildings were on the grounds this morning and mapped out their plans for beginning their part of the work. Some changes have been made in the plans as first outlined.

The laying of pipes will be started just as soon as the other details of the work can be taken care of.

Ten men were put to work this morning, and the superintendent informs THE EXPRESS that he can use all of the able bodied men who apply to him for work from now on.

The gentlemen at the head of the new company are in dead earnest and promise to push the work to a speedy completion.

Nov 8, 1906

Gas

WHAT CAUSES THE DELAY

Eaton Gas Co. Should "Get Busy"—
Report that Local Capitalists Will
Swing New Enterprise.

The people of Beatrice were asked to grant a franchise to the Eaton Gas company under certain conditions, suggested by the promoters. The franchise was voted, and the company did not accept it as they agreed to before the time expired.

Then the promoters went before the council again, and at a special meeting, called for the purpose submitted a new and modified plan, one containing less restrictions upon the company.

This franchise was also granted, and a great bluff was made, men were advertised for, work was awarded, the streets have been obstructed by pipes, but up to date no move has been made towards erecting the plant. Yesterday one of the leading spirits of the enterprise took his departure and it has generally been talked that is if the new gas plant is erected, it will have to be done by a local company and local capital.

A representative of this paper tried to interview M. V. Nichols upon the matter, and was told by that gentleman that he was not in a position to affirm or deny the statement, but that he was going to consult a well-known financier and would be able to tell us all about it within an hour or so.

As we heard nothing more from Mr. Nichols, we conclude that the rumors are well founded, and that the gentlemen who were so anxious to spend \$75,000 in our city, are simply looking for \$75,000 to spend.

We trust that the gentlemen are acting in good faith, and will proceed with the work, but in order to "restore confidence," they will have to get a move on them.

BE LOYAL TO BEATRICE

The Oil and Gas Company Appeal to
Our Citizens to Take Stock in
the Enterprise

Since the visit to our city this week of the Lincoln stockholders in the Beatrice Oil and Gas Co., and our people have had a chance to learn of the character and standing of the gentlemen connected with this enterprise, I think there is no longer any doubt in the minds of sensible people as to the good intentions of this company, and its ability to complete the enterprise in which it is engaged. Whether we succeed in finding that for which we are drilling or not, is yet an unknown problem, but of one thing you may be assured, when we are satisfied in this matter, all others may be so, as we are prepared with an outfit to go 4,000 feet if necessary.

The stockholders themselves have pledged sufficient capital to complete the well, but at their meeting in this city this week it was decided to offer a small portion of the capital stock for sale to Beatrice people and to farmers adjacent Beatrice.

Their object in doing so is twofold. First, we desire the cooperation and good will of every person in this city and community, and know of no better way of securing the same than by offering them an interest in this enterprise on the same basis on which we ourselves are organized.

Second, these gentlemen know that if we meet with success in this enterprise it means a great deal to Beatrice and her people, and therefore they ought to be willing and anxious to aid the same, and if successful share in the profits, and if not, contribute a small amount of the loss while we carry the principal burden.

We do not expect, and in fact do not desire large subscriptions from any person, but we do think that all loyal Beatrice people, who are amply able to do so, should subscribe for a small amount of this capital stock.

The gentlemen from Lincoln who were here had but a short time at their disposal and could not visit all our business men as they would like to have done, but called upon a few of them, nearly all of whom subscribed for a few shares of the stock.

Mr. Maupin and myself were authorized to call upon our people and solicit subscriptions for the capital stock on the basis of ten cents per share. We particularly desire that the owners of the lands on which we hold leases subscribe for some of the stock and take an interest with us.

We shall not harrass anybody, but hereby offer all a chance to get in on the ground floor. Yours for a gusher,

W. N. FARLOW,
Secretary.

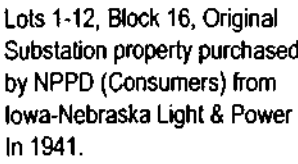
Nov 8, 1906
Gage City Democrat

EATON ACCEPTS FRANCHISE

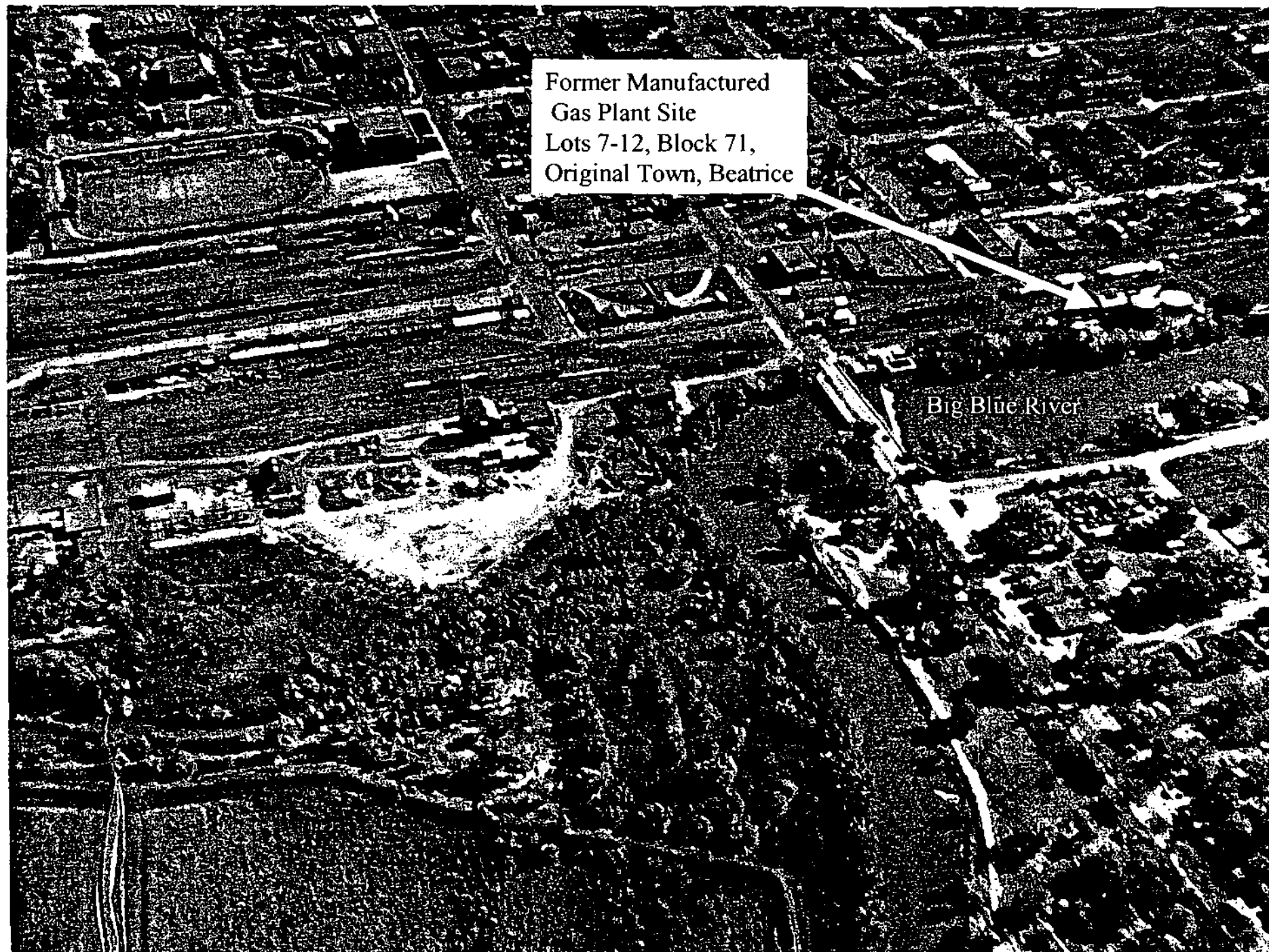
Charles A. Eaton, to whom the city council recently granted a gas franchise, yesterday, by his agents, filed his acceptance of the terms of the franchise. The ordinance requires that the franchise should be accepted in writing and the acceptance filed with the city clerk.

Now that this has been done the company may prosecute the work of building their plant and getting it into shape to furnish gas.

Nov 8, 1906



Attachment (



Former Manufactured
Gas Plant Site
Lots 7-12, Block 71,
Original Town, Beatrice

Big Blue River